

Si3 Impact Investment in Israel

2021 Impact Report



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Si3 is a cutting edge approach to drive sustainable social change in Israel, recycle philanthropic funds and creatively engage funders in the UK.

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Our Impact in 2021

We are delighted to present you with the 2021 UJIA Si3’s Social Impact Report.

For almost the last two years, Israel, along with the rest of the world, and its vulnerable populations in particular, suffered dearly from the effects of the COVID-19 pandemic. We are extremely proud that over this time, our Si3 portfolio has not only grown to include five new investments, but that our investments tackle the social issues that so poignantly came to light during the pandemic. These issues include: a severe unemployment crisis, the near financial collapse of many of Israel’s small and medium businesses which serve as the lifeblood of Israel’s economy, and general social isolation. Fittingly, our Impact Report this year has categorized our investments into these three categories: Business Loans, Employment Initiatives and Social Spaces (both digital and physical).

Throughout the pandemic, our UJIA Si3 team in Israel worked closely with our portfolio companies to give them the support they needed to weather the COVID-19 storm, and continue to serve those most in need. It is without doubt that the benefits of such an investment programme were demonstrated as our investees always had someone to talk to on the other end of the phone and flexibility when required.

We are delighted that Si3 continues to be dynamic and groundbreaking. At the time of printing we are in the midst of our

sixth investment cycle, a process that is robustly supported by our growing Advisor and Investment Committees. As part of this ever-evolving programme, this year we also launched a new Si3 product in the form of Donor Advised Funds (DAF), a flexible way for donors to engage with and invest in Si3.

Over the next 12 months, we look forward to growing significantly the size of assets under Si3 management, enabling us to create greater social impact through increasing the size of our portfolio. Si3 is a program that aims to complement the work which is at the very core of UJIA, supporting Israel’s neediest communities through quality employment, local economic development and community welfare.

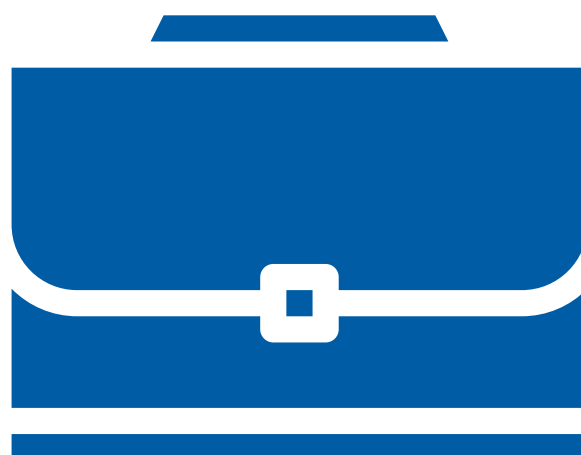
As Israel moves into its new normal, we look forward to creating even more impact, ensuring that no-one is left behind. We would like to thank you, our partners, for your support and friendship as we continue to build and grow Si3.

Louise Jacobs
UJIA Chairman

Grant Kurland
Si3 Investment
Committee Chair

Mandie Winston
Chief Executive Officer,
UJIA

Si3 Impact in Numbers



6 Employment Investments



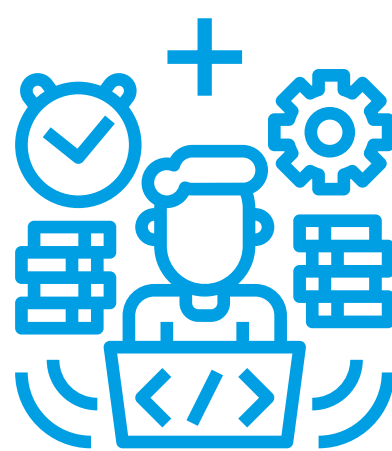
3 Loan Fund Investments



5 Social Spaces Investments

20× Increase
in the amount of businesses that benefited from loans compared to 2019.

1,621
Businesses Benefited From Loans



453

Israelis Developed New Skills

396
Israelis Placed in Jobs

Si3 COVID-19 Recovery Investments

Responding to COVID-19 Related Needs



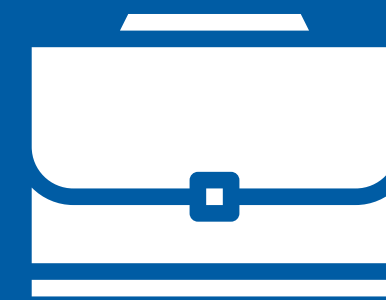
Social Spaces Investments

Abraham Group:

A socially-focused hostel and tour group whose business was brought to a near standstill by COVID-19. Si3's investment is helping the Group weather the ongoing lull in business until tourism fully returns to Israel.

Social Space Marina Hostel:

A revenue generating project for an NGO promoting social activism.



Employment Investments

Jump.In:

Digital marketing courses training disadvantaged Israelis with a sought-after skill, helping many who found themselves unemployed as a result of COVID-19 to re-enter the job market.

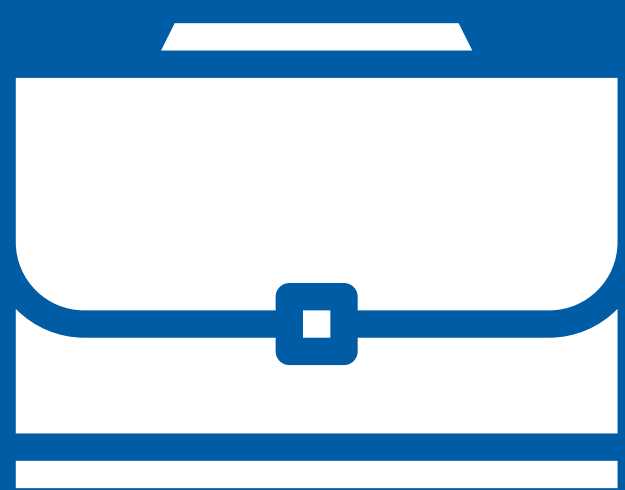


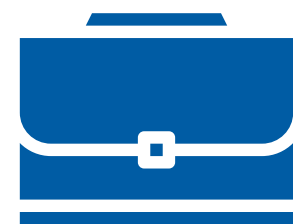
Loan Funds Investments

Ogen Social Loan Fund & KIEDF Small and Medium Business Loan Funds:

Providing vital business loans for SMEs hit by the pandemic.

Employment





Siraj Technologies

Employment of Bedouins in the Hi-Tech Sector



Siraj Technologies promotes the inclusion of Bedouins in Israel’s hi-tech sector, helping them enjoy the social and economic benefits of the ‘Start-Up Nation’. It does this by:

- Employing Bedouin engineers with limited employment opportunities.
- Promoting STEM education for Bedouin high schoolers through educational programmes, hackathons and exhibitions giving them the skills to pursue a career in hi-tech.

□ What?	Social mobility through quality employment for Israel’s disadvantaged Bedouin population
○ Who?	Bedouin adults and high school students in Negev
≡ How Many?	<ul style="list-style-type: none">• 1,700 Bedouin students exposed to STEM activities• 26 Bedouins employed in Siraj Technologies• 42 Bedouins studying computer engineering/software development
+ Si3 Investment	NIS 400,000 interest bearing loan to help develop business activities



Siraj Technologies

Spotlight on Siraj

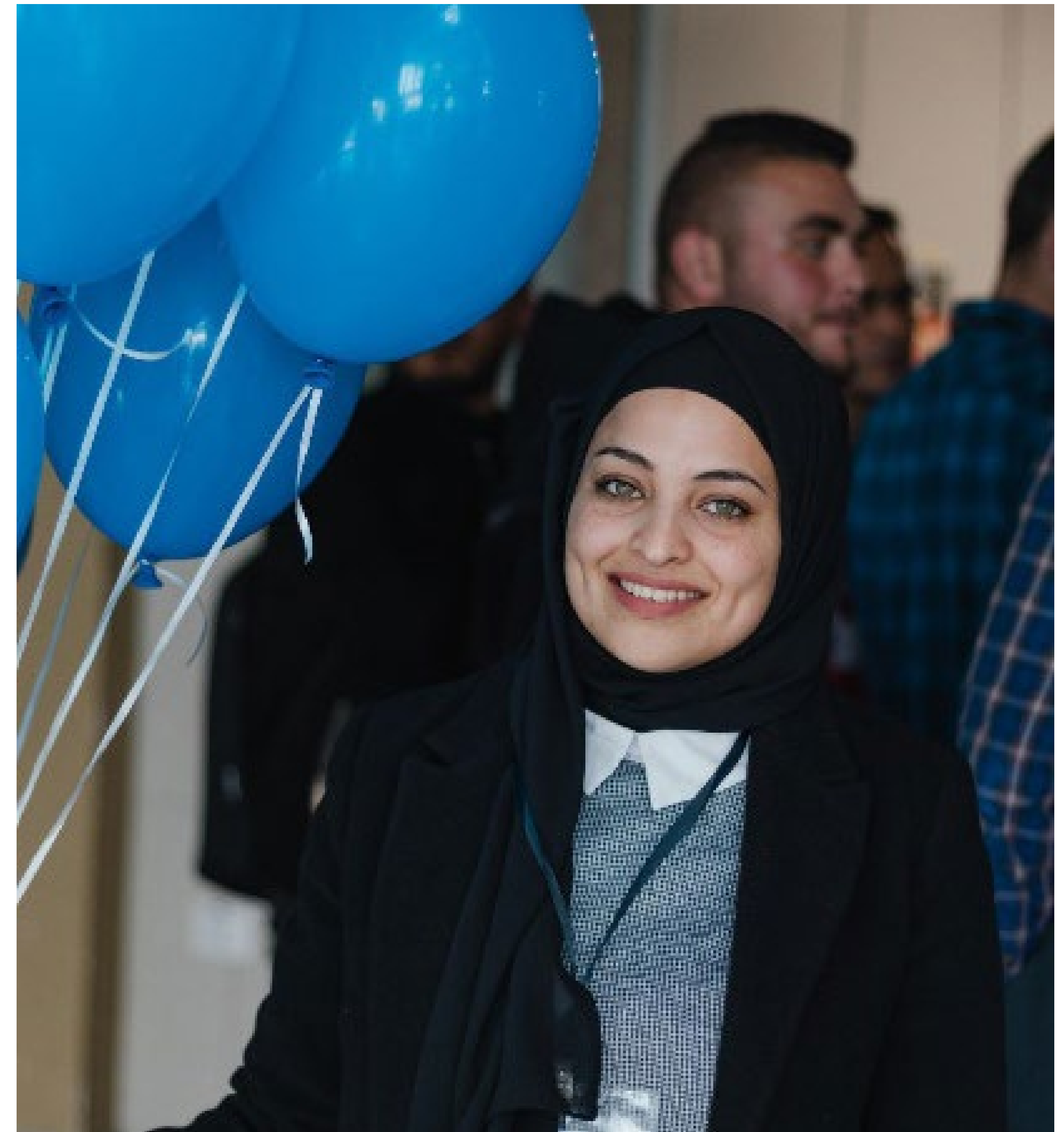
Iman Ibn Nasir always enjoyed problem-solving. She excelled in maths at school and dreamed of working in Israel's hi-tech industry, but as a young Bedouin woman growing up in an unrecognised village in the Negev, her options were limited.

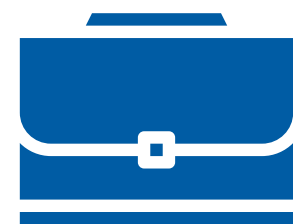
Then Iman heard about Siraj Technologies, a software company and Si3 investee that employs Bedouins, offering them the chance to enter Israel's hi-tech sector.

Iman was the only female selected to join Siraj's recent six-month on-the-job training programme. Female trailblazers from Siraj mentored her, guiding and supporting her throughout.

Today, Iman is the only qualified software engineer in her village. She works as a full stack developer with Siraj in Beersheva.

Together with Siraj, we are helping create a new future for members of Israel's Bedouin community.





Jump.in

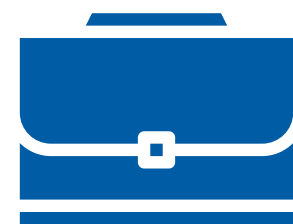
Digital Marketing Training and Job Placement for Disadvantaged Israelis

Jump.in offers training and placement in digital marketing – a highly sought-after skill that can help disadvantaged Israelis find quality employment in Israel’s hi-tech sector.

Mentoring from Jump.in’s professional staff enables participants to develop soft skills needed for successful entry to the workforce and future advancement.



<div>□</div> <div>What?</div>	Social mobility via training and job placement for disadvantaged Israelis
<div>○</div> <div>Who?</div>	<ul style="list-style-type: none">• People with disabilities• Ultra Orthodox Jews• Ethiopian Israelis• Young adults at risk• Older adults (45+)
<div>≡</div> <div>How Many?</div>	<ul style="list-style-type: none">• 107 digital marketing graduates• 86 job placements in Israel’s hi-tech sector
<div>+</div> <div>Si3 Investment</div>	NIS 300,000 interest bearing loan to help market the courses



Extra Tech

Quality Employment for the Ultra Orthodox (Haredim)

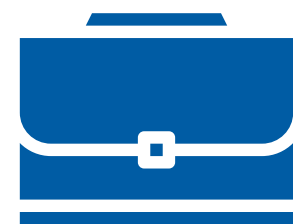
Fast Fact:

On average, female Extra Tech graduates see their salaries almost triple from their first day on the job.

Extra Tech offers Ultra Orthodox men and women an opportunity to become active players in Israel’s economy.

With the community traditionally experiencing high unemployment rates and often lacking in formal secular education and skills, Extra Tech offers coding bootcamps, training and job placements that suit their religious and cultural requirements.

□	What?	Social mobility through quality employment for Israel’s disadvantaged Haredi population
○	Who?	Ultra Orthodox men and women
≡	How Many?	<ul style="list-style-type: none">• 200 Ultra Orthodox in training• 180 Ultra Orthodox found job placements
+	Si3 Investment	NIS 400,000 equity investment



Lev 19 & Desert 19

Quality Employment for Women

Quality employment opportunities are scarce in Israel’s socio-geographic periphery.

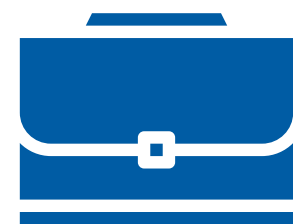
The 19 Group offers women living in Israel’s remote regions opportunities for gainful employment in supportive work environments.

Lev 19, based in Tzfat, offers remote financial and bookkeeping services.

Desert 19, based in Mitzpe Ramon, provides a wide range of remote back office services (marketing, administrative, PA services, etc.) to companies across Israel.



<div>□</div> <div>What?</div>	Social mobility through quality employment
<div>○</div> <div>Who?</div>	Women living in the socio-economic periphery
<div>≡</div> <div>How Many?</div>	<ul style="list-style-type: none">• 60 women received professional training• 29 women are directly employed by Lev 19• 13 women living in Mitzpe Ramon are employed by Desert 19
<div>+</div> <div>Si3 Investment</div>	<p>NIS 200,000 interest bearing loan to support the business activities of Lev 19</p> <p>NIS 200,000 interest bearing loan to support the business activities of Desert 19</p>



Lotus Hub

Breaking the Glass Ceiling for Druze Women

Fast Fact:

Today, 10 large Israeli hi-tech companies – including Amdocs, RADCOM & Sapiens – employ Druze women remotely via Lotus Hub. Familiarising hi-tech employees with the Druze community in this way helps change perceptions and helps integrate communities.



Rooted in their villages in northern Israel, talented Druze women lack quality employment opportunities.

Lotus Hub offers them professional training and remote employment opportunities with companies around Israel through its culturally appropriate workspace in the Druze village of Dalyat Hacarmel.

This helps Druze women integrate into the Israeli hi-tech sector and increases their earning capacity, benefiting their families and local communities as a whole.

□	What?	Social mobility through quality employment
○	Who?	Traditional and religious Druze women
≡	How Many?	<ul style="list-style-type: none">• 44 Druze women completed coding bootcamps• 52 Druze women in employment
+	Si3 Investment	NIS 250,000 interest bearing loan to support the growth of Lotus Hub

Business Loans





Ethiopian Israeli Loan Fund

Promoting Entrepreneurship Amongst the Ethiopian Israeli Community



The Ethiopian Israeli community is often excluded from traditional sources of credit like bank loans. This makes it tough for community members to secure finance to start or support their businesses.

The Ethiopian Israeli Loan Fund (operated by KIEDF) offers much-needed credit via non-bank loans. These loans aim to promote entrepreneurship and support business growth, helping business owners directly and the Ethiopian Israeli community as a whole.

□ What?	Economic development through financial support for the Ethiopian Israeli community
○ Who?	Ethiopian Israeli entrepreneurs
≡ How Many?	<ul style="list-style-type: none">• 89 loans approved• 78 loans distributed to Ethiopian Israeli entrepreneurs• 94 jobs supported• 78 active Ethiopian Israeli owned businesses• 21 new Ethiopian Israeli owned businesses
+ Si3 Investment	NIS 400,000 interest bearing loan to be used as distributed capital



Arab Israeli Loan Fund

Business Loans for Arab-Owned Small and Medium-Sized Businesses



65% of Arab Israeli families depend on income from small businesses – but different government and banking credit products do not meet their needs, and no social credit programmes target the Arab Israeli sector.

Lack of credit can force businesses to cease operation, pushing owners into unemployment and their families onto welfare. These problems were exacerbated by the pandemic, in which SMEs have suffered disproportionately.

The KIEDF Arab Small and Medium Businesses Loan Fund is responding with offers of non-bank loans to Bedouin, Druze and Arab Israeli small business owners.

□ What?	Economic development through financial support for Arab Israeli SMEs, particularly following the COVID-19 pandemic
○ Who?	Arab Israeli owners of small and medium-sized businesses
≡ How Many?	<ul style="list-style-type: none">• 105 loans approved• 94 loans distributed• 94 active businesses• 136 employees supported• 3 new businesses
+ Si3 Investment	NIS 500,000 interest bearing loan to be used as distributed capital

Spotlight on Loan Fund for Small and Medium-Sized Arab Businesses

In recent months, violence in Arab Israeli communities has spiralled out of control, with an unprecedented number of murders.

A recent report by the Committee to Reduce Violence in the Arab Sector notes several systemic issues as causes, including crumbling infrastructure, dismal public services and severely limited job prospects. It also notes a connection to grey market lending.

The report recommends finding avenues to ensure availability of credit in the Arab sector in order to prevent grey market lending-linked violence.

Si3's investment in the KIEDF Arab Israeli loan fund is a channel providing vital access to credit.



COVID-19 Recovery Ogen Social Loan Fund

Low Interest Loans for Businesses and Non-Profit Organisations

COVID-19 deeply hurt Israel’s small to medium-sized business sector, putting the livelihoods of tens of thousands at risk.

Ogen’s Social Loan Fund offers low interest non-bank loans to inject lifeblood back into these businesses.

The loans will be crucial to Israel’s economic recovery.



<div>□</div> <div>What?</div>	Economic development through financial support for Israeli SMEs affected by the COVID-19 pandemic
<div>○</div> <div>Who?</div>	Small and medium-sized business owners and employees across Israel
<div>≡</div> <div>How Many?</div>	<ul style="list-style-type: none">• 1,449 loans distributed• 14,890 jobs saved• 60% of borrowers were able to maintain or increase their employee headcount
<div>+</div> <div>Si3 Investment</div>	USD 500,000 interest bearing loan to Ogen to be used as distributed capital

Spotlight on Ogen Social Loan Fund

Tal Zachrin knows trauma, fear and anxiety – she has lived in Israel’s Gaza border community for many years, under constant threat of rocket attacks.

As a social worker specializing in trauma therapy, Tal founded a business selling games that help children cope with extreme stress.

Si3 provided a long-term interest bearing loan to the Ogen Social Loan Fund, that provides small businesses in Israel with a lifeline of credit.

Through an affordable low-interest loan from Ogen, Tal was able to expand her business and build a new website. Today, she sells her games in three different languages and is changing the lives of children in Israel dealing with extreme stress.



Social Spaces





Games for Peace

A Virtual Meeting Place for Jewish and Arab Children in Israel

Opportunities for Jewish and Arab children in Israel to meet and bridge the gaps that divide them are limited.

Games for Peace leverages the power of online video games to provide a safe digital meeting place for Jewish and Arab Israeli children. The platform promotes tolerance and the reduction of prejudice and stereotypes.

COVID-19 caused major disruption to school activities and extracurricular programming. However, pupils are now back at school, and Games for Peace is receiving renewed requests for activities.



<div>□</div> <div>What?</div>	Promoting shared society values
<div>○</div> <div>Who?</div>	Jewish and Arab Israelis
<div>≡</div> <div>How Many?*</div>	<ul style="list-style-type: none">• 24 Arab and Jewish students• 4 Arab and Jewish teachers
<div>+</div> <div>Si3 Investment</div>	NIS 380,000 interest bearing loan for operations

*Following a break in activities during COVID-19, Games For Peace has recently renewed its activities and is restarting the business slowly, starting with implementation at two schools.



ENOSH Makom Shel Tov

A Leading Mental Health NGO Utilising Physical Space to Generate Income

Enosh is Israel’s largest mental health association, spearheading the use of innovative rehabilitation services.

Makom Shel Tov (‘Good Place’ in Hebrew) provides employment for Enosh beneficiaries and rents out Enosh’s facilities for private events.

Makom Shel Tov seeks to break down stigmas and boundaries around people with psycho-social disabilities and raise awareness about mental health issues.



<div>□</div> <div>What?</div>	<ul style="list-style-type: none">• Community development and promotion of shared society values• Quality employment
<div>○</div> <div>Who?</div>	<ul style="list-style-type: none">• Enosh beneficiaries through employment opportunities• Guests at Enosh who interact with Enosh beneficiaries
<div>≡</div> <div>How Many?</div>	<ul style="list-style-type: none">• 10 Enosh beneficiaries employed by Makom Shel Tov• 2,800 guests exposed to Enosh activities
<div>+</div> <div>Si3 Investment</div>	NIS 400,000 interest bearing loan to help refurbish one of the spaces



Spotlight on ENOSH

Suzanna is 67 and lives with PTSD. Simple life situations – social interactions, commuting on the bus, shopping, even walking in the street – can be completely overwhelming for her.

Following a medical assessment, Suzanna was connected with Enosh, an Si3 investee.

Suzanna chose to join Enosh's Makom Shel Tov initiative, which uses Enosh's facilities as events halls as a way of creating income for Enosh.

Suzanna works in her local centre's event hall, where she enjoys learning about the event planning world and feeling part of a busy workplace.

Enosh has helped Suzanna recognise and make the most of her strengths. She has come a long way in overcoming her fears, learning how to solve problems and equipping herself for gainful employment.

Now confident and motivated to fulfil her potential, both Suzanna and her family are thrilled by the transformative impact of Enosh's investment in her.





Abraham Group Hostels

Social Tourism Initiative

The Abraham Group is a leading tourism brand in Israel with four hostels: Tel Aviv, Jerusalem, Nazareth and Eilat.

The Group’s one-stop shop for travellers includes quality low-cost accommodation, social activities and tours that connect like-minded travellers to one another and to local communities.

In this way, the Abraham Group plays a pivotal role in promoting multicultural tolerance through its locations, tours, staff and ethos.

The Abraham Group promotes local NGOs through use of its spaces, exhibitions and stimulation of conversation around Israel’s social issues. It also supports small local businesses in and around hostel locations and on tour routes.



<div>□</div> <div>What?</div>	Community development and promotion of shared society values
<div>○</div> <div>Who?</div>	<ul style="list-style-type: none">• Local small businesses.• Domestic and foreign tourists exposed to all areas of Israeli society
<div>≡</div> <div>How Many?</div>	<ul style="list-style-type: none">• 745 small businesses supported by the Abraham Group• 14,583 participants on Abraham Tours• 143 social projects supported by the Abraham Group
<div>+</div> <div>Si3 Investment</div>	NIS 250,000 equity investment in the hotel and tourism group



Spotlight on Abraham Group

Discovering Another Side to Tel Aviv

Part of the Abraham Group's ethos is to share stories and places that tourists wouldn't necessarily find on their own, bringing people from different worlds together.

In Tel Aviv, they do this through two unique tours:

The International Tasting Tour:

This experience shines a light on members of Israel's multicultural immigrant population who came to Israel and opened food-related businesses. The tour allows these entrepreneurs to share their stories of struggle and success as immigrants through their food.

Neve Sha'an'an Neighbourhood Tour:

Challenging the perception of Tel Aviv as a modern, hi-tech city, this tour introduces participants to the struggles of daily life for refugees and migrants who now call this neighbourhood home.





Hadarim Urban Renewal Impact Fund

Urban Renewal in Haifa’s Hadarim Neighbourhood



The Hadarim Urban Renewal Impact Fund aims to regenerate Haifa’s Hadarim neighbourhood, creating affordable accommodation for young families and improving the neighbourhood surroundings for current residents.

The fund purchases buildings to renovate throughout the neighbourhood in order to provide diverse attractive housing solutions, resulting in urban and social renewal.

The development of communal gardens in Hadarim’s Sirkin Street was a social highpoint of 2020. With COVID-19 rules restricting people’s movement to within a few hundred metres of their homes, this beautiful new green space was a welcome addition to a neighbourhood which had previously had none.

Hadarim expects to break ground on their first new building in January 2022.

 What?	Community development and promotion of shared society values
 Who?	<ul style="list-style-type: none">• Young families• Residents of Haifa’s low-income Hadarim neighbourhood
 How Many?	<ul style="list-style-type: none">• 2 new community spaces• 6 new small businesses• 40,000 residents of Hadarim
 Si3 Investment	NIS 500,000 equity investment into Hadarim Real Estate Fund



Social Space Ben Gurion Marina Hostel

Generating Income for Social Space

Built on the ruins of an old strip club in Tel Aviv, the Social Space organisation is a centre for social activism and impact innovation in Israel. Social Space’s mission is to develop a more socially active society, providing a space for educational groups and the business sector to discuss, learn and experience the meaning of social activism.

Located just next to the Social Space, offering low-cost accommodation on Tel Aviv’s beachfront, the Ben Gurion Marina Hostel is an income-generating project, built to support Social Space’s non-profit activity.



<div>□</div> <div>What?</div>	Community development and promotion of shared society values
<div>○</div> <div>Who?</div>	Local and foreign tourists
<div>≡</div> <div>How Many?</div>	<div>• 2,579 hostel guests</div> <div>• 16,000 visitors</div>
<div>+</div> <div>Si3 Investment</div>	NIS 300,000 interest bearing loan to help develop the Marina Hostel



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