

2020-2022 NEW POWER LABS IMPACT REPORT

Moving capital. Shifting power.

Unlocking the potential of
underfunded and overlooked communities.

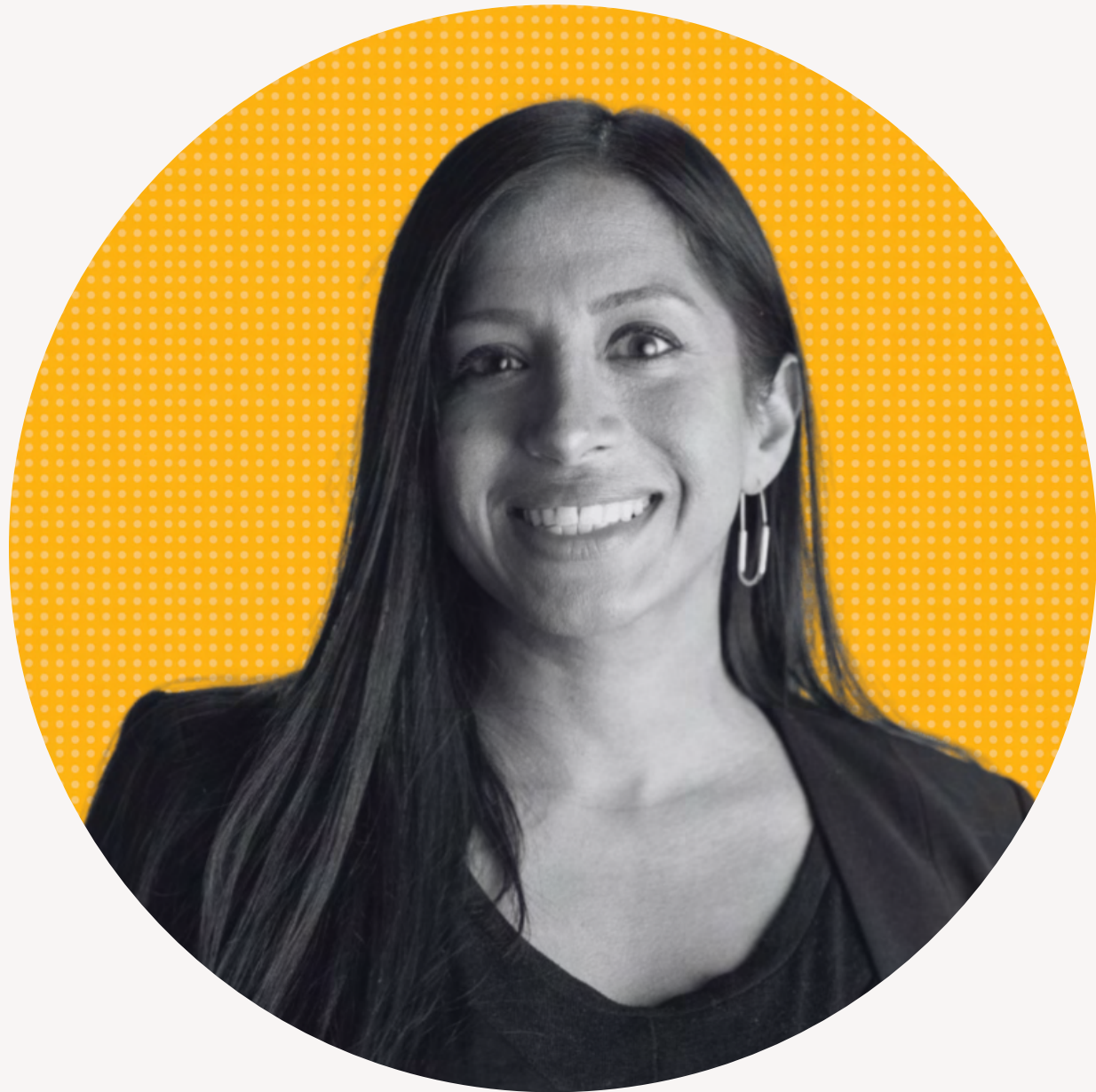
Co-founding partners



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Letter from our Executive Lead

New Power Labs is an action oriented think-tank, working to shift how capital flows across Canada. With a focus on mobilizing capital to underfunded and overlooked communities, New Power Labs has brought together leaders, communities and partners from across Canada and beyond to drive the movement towards a more prosperous and thriving future.

Our journey began with a recognition of the common barriers faced by many underrepresented individuals in accessing capital, from philanthropy to impact investing to venture capital and traditional bank financing across Canada. By addressing these obstacles, we can unlock new economic opportunities to create a more equitable and inclusive Canada. Our nation holds untapped potential across its diversity from gender, ethnicity, Indigenous identity, sexual identity, abilities, language minorities and more.

With a commitment to transparency, accountability, and a belief in new power, we are working to remove the barriers, biases, and uncertainties that have limited access to capital for communities across the country. We invite you to join us in this journey, as we work towards a future where capital flows equitably and empowers all people across Canada to reach their full potential. As we move beyond our pilot years, we are confident that together we can unlock the power of Canada's diversity.

Narinder Dhani

Executive Lead, Co-founder | New Power Labs



To truly shift power to historically underfunded and overlooked communities, including immigrants and communities of colour, it is critical to ensure equitable access to capital. We know there is systemic bias and discrimination in how capital flows, and New Power Labs is directly addressing this challenge in Canada. New Power Labs is building a movement in the Canadian ecosystem to unlock capital for everyone.

Smitha Das

Director, Mission and Impact Investing, WES Mariam Assefa Fund



When large segments of our communities are unable to access the capital they need, it leaves countless opportunities on the table for everyone. Reimagining what these systems need to look like is critical if we are to reach our collective potential. New Power Labs has launched important work to bring transparency and a data-driven approach to informing this transition. The DUCA Impact Lab is proud to be among the Co-founders.

Keith Taylor

Executive Director, DUCA Impact Lab



New Power Labs is working towards greater resilience, dignity and well-being for more people in creating a more inclusive economy. By shifting the ways that capital flows across communities towards increased equity, we can move away from the large inequalities that currently exist and toward shared prosperity. This is urgently needed work that supports capital deployers in meeting their equity, diversity and inclusion goals — a win-win.

Tracey Robertson,

Innovation Lead and Partnerships Investment, Ontario Trillium Foundation

Capital is power that flows through our society. Power is concentrated and exclusive.

To flow capital to underfunded and overlooked communities requires an understanding of how capital flows and who holds power.

Our society's growing inequality and systemic discrimination have **disproportionate impacts** on Indigenous Peoples, communities of colour, women, and other overlooked and underserved communities. Canada is not tapping into the wealth of its talent across diverse communities.

Data on how capital flows — who receives funding and who deploys capital — are **incomplete and limited**. It is still far too difficult to assess our progress on flowing capital to underfunded and overlooked communities. There continue to be **major disparities** across all capital flows, from philanthropy to impact investing to venture capital and traditional bank financing. Driving meaningful progress is difficult with a void of data.

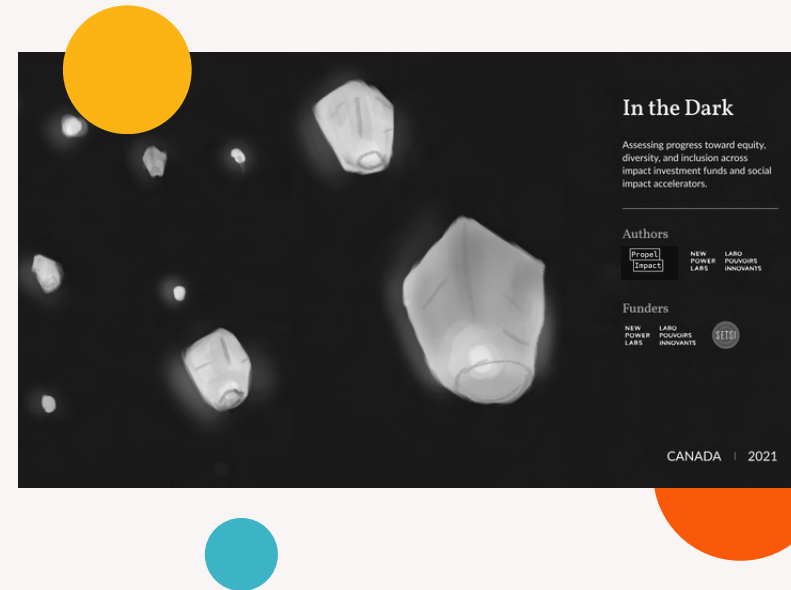
As a result, **too many Canadians are unable to access capital** to grow, to realize economic opportunities, and to address the needs of their communities, limiting our innovation, competitiveness, and prosperity. Unlocking the economic potential of Canada requires unlocking its diversity. Equitable capital flows remove barriers, biases and facilitate access.

New Power Labs is working to enable more capital to flow to underfunded and overlooked communities across Canada.

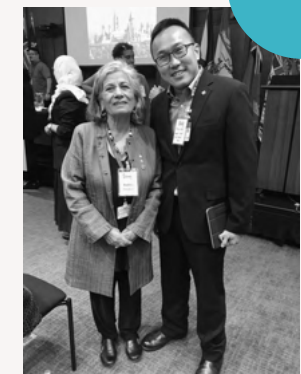
In the first two years of work, we validated the need and demand for transparency, accountability and new power in diversity, equity and inclusion and capital. To address these challenges:



In early 2020, we lead community consultations across Canada to refine our strategy and approach.



We published early research, the [In the Dark Report](#), which confirmed the lack of data and broad uncertainties on how best to move forward.



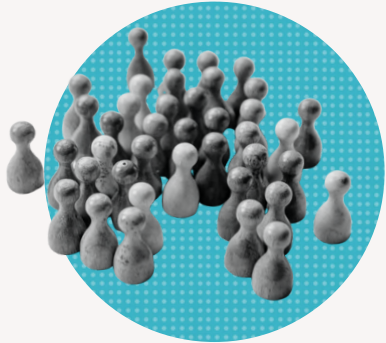
We connected with thousands of individuals across events and within the various working groups to which we contribute. This included leaders and communities across Canada, in addition to experts beyond our borders.

Across the last two years, we built a bold strategy and internal infrastructure to move capital and shift power.

This phase of our work focused on



Research



Partnership & movement building



Thought leadership



The two-year pilot phase of New Power Labs showed how we can progress toward long-term systems change.

Our strategic goals

Through countless conversations with network and sector leaders, we reflected on the current state of capital flows, and defined our vision and understanding of what it will take to achieve that vision. The milestones set through this pilot phase guide us as we continue to lead research, convenings, and build momentum towards more equitable capital flows in Canada.

Specifically, we are working to:



1. Influence asset holders and asset managers (from philanthropy to credit unions and impact investors) among our audience to increase the flow of capital towards underserved communities.



3. Shift the perspective that people hold about equity, diversity, and inclusion projects and policies, from constraint to opportunity.



4. Inspire leaders who flow and manage capital to collaborate and learn through a community of practice.



5. Influence the government on the development of policies shaping the deployment of capital.



2. Influence asset holders and asset managers in the development of more inclusive investment policies and processes (e.g., due diligence) in deployment of capital.

How we work

- 1.** We work across the capital spectrum, from philanthropy to impact investing to venture capital and bank financing.
- 2.** We lead, aggregate, and synthesize research.
- 3.** We convene and support asset deployers across their journeys.
- 4.** We mobilize action toward equity and systems change.

- 5.** We amplify what works.

We co-create solutions and rapid iterations which will transform how capital flows to be more inclusive of all diversities.
- 6.**
- 7.** We center equity, dignity, and respect in our work.

Our journey

2019

Early start

New Power Labs began as an initiative with early convenings on gender-lens investing.

2020

Ideation and consultations

New Power Labs grew into an idea for an organization fully dedicated to improving equity in how capital flows.

Early convenings

New Power Labs launched first convenings in partnership with DUCA Impact Lab & Ontario Trillium Foundation.

2021

Official launch

New Power Labs was established as a non-profit in partnership with Community Foundations of Canada, DUCA Impact Lab, and Ontario Trillium Foundation. Coast Capital and WES Mariam Assefa Fund joined soon after. Together, we began to build the infrastructure of New Power Labs.

Validated problem/opportunity. Defined and launched research priorities.

We consulted and connected with communities and finance leaders to refine strategy, approach and scope. We then defined our strategy and research priorities and launched our research initiatives.

2022

Grew to a full-time team, and released our first public report.

We released our first publication with Propel Impact and SETSI: In the Dark, showing the current state of equity, diversity, and inclusion among impact investors and accelerators.

We presented our research to Employment and Social Development Canada, in partnership with SVX, showing the need to close the capital access gap for equity-deserving groups.

Throughout, we continued to connect with communities and finance leaders across Canada through keynotes, panels and workshops - working to shape a future where capital is accessible to underfunded and overlooked founders and leaders.



As capital holders, we need to stop rearranging the furniture. We must strive for transformation. Incremental changes will not serve communities in the 21st century. A just, equitable and sustainable recovery demands it from us. I'm extremely excited to see New Power Labs stepping up into this work, and guiding us as a country as we embark on this future economy where all Canadians can participate and prosper.

Andrew Chunilall

Chief Executive Officer, Community Foundations Canada

**We continued to share knowledge
and education across the sector.**

New Power Labs started as an idea but is growing into a movement.

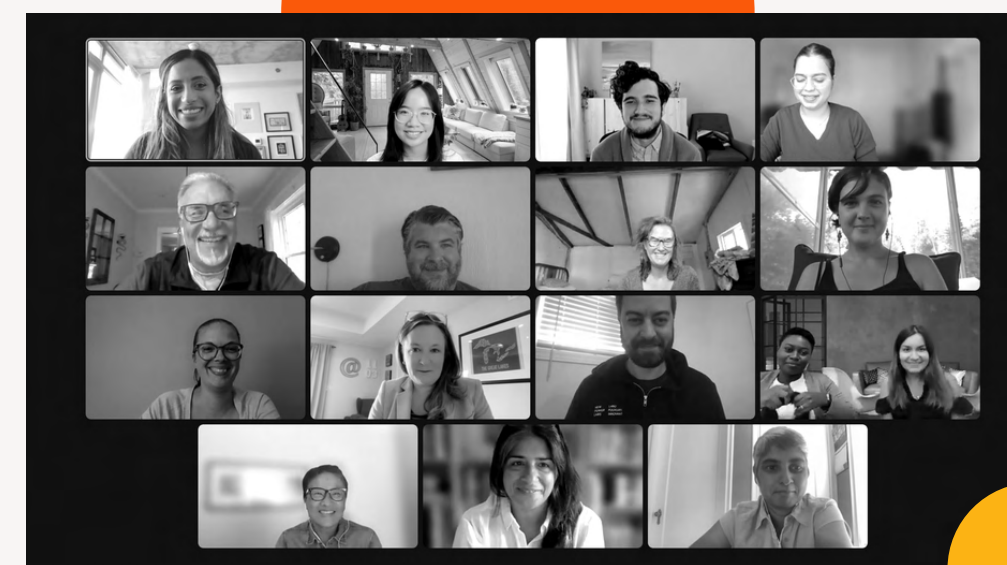
Since 2019, building on presentations at over 30 conferences, from keynotes to panel discussions, and through conversations with thousands of sector leaders and networks, we have strengthened the New Power Labs vision, amplifying actionable insights from our research while continuing to build momentum.

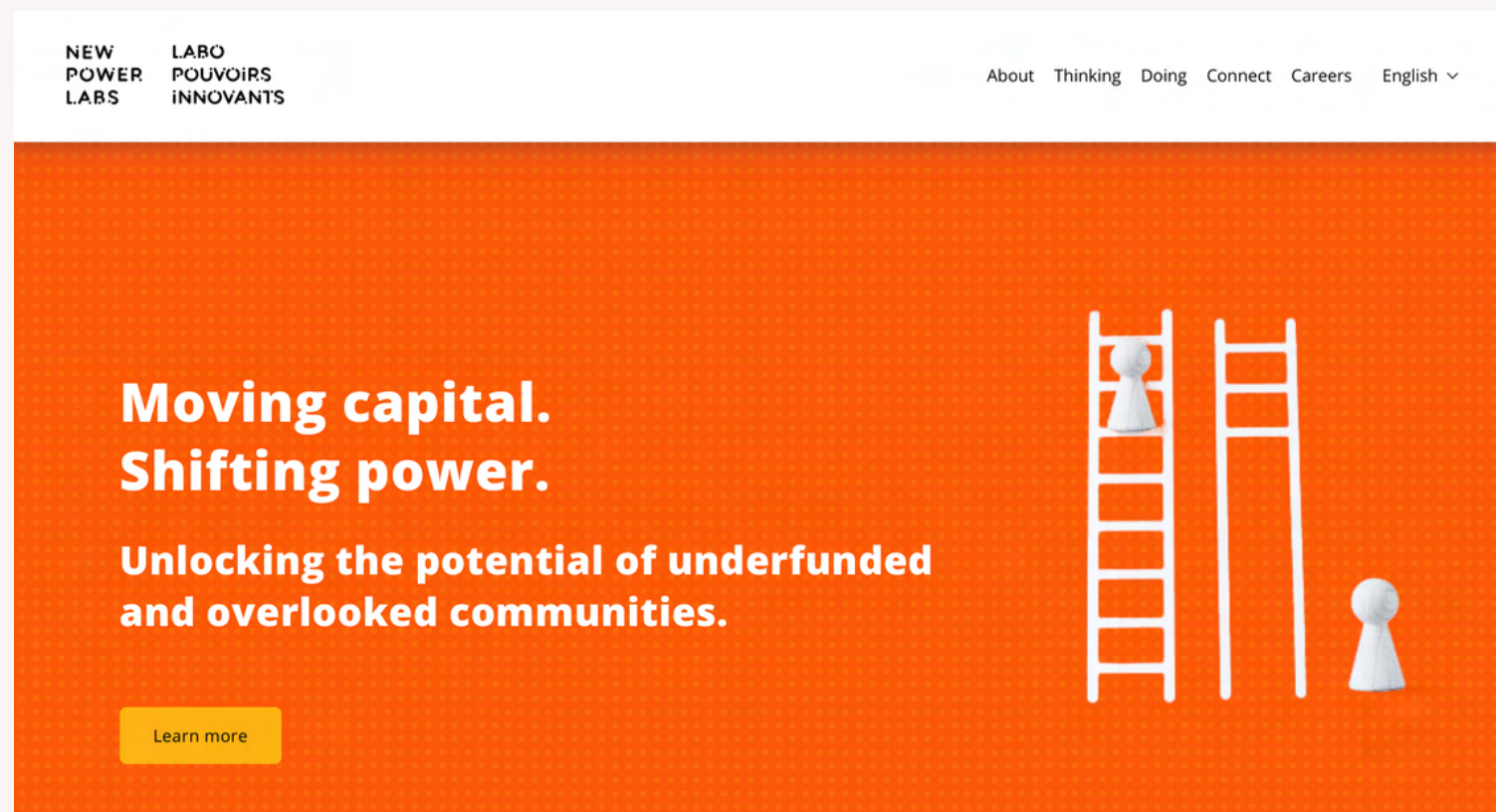


In November 2022, we were invited to the Sustainable Finance Forum to present to the cabinet on women in entrepreneurship and the future of social finance in Canada. We received broad support for the need for more systemic actions and accountabilities in advancing equitable capital flows, and our work.



Through workshops and lunch & learns that we led, we had the opportunity to discuss implications of insights from our research and have partners share their experiences in deploying capital to overlooked and underfunded communities. We're committed to continuing to contribute to shared knowledge and learn from one another.



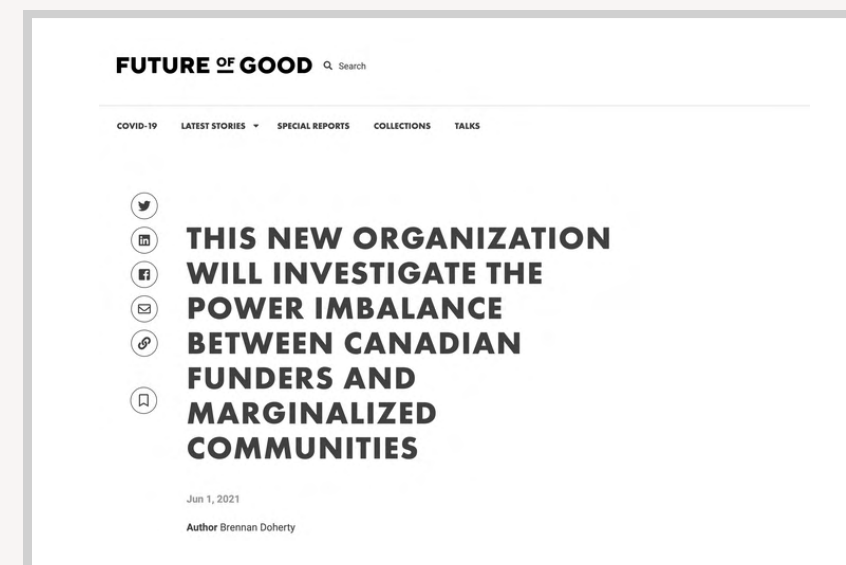
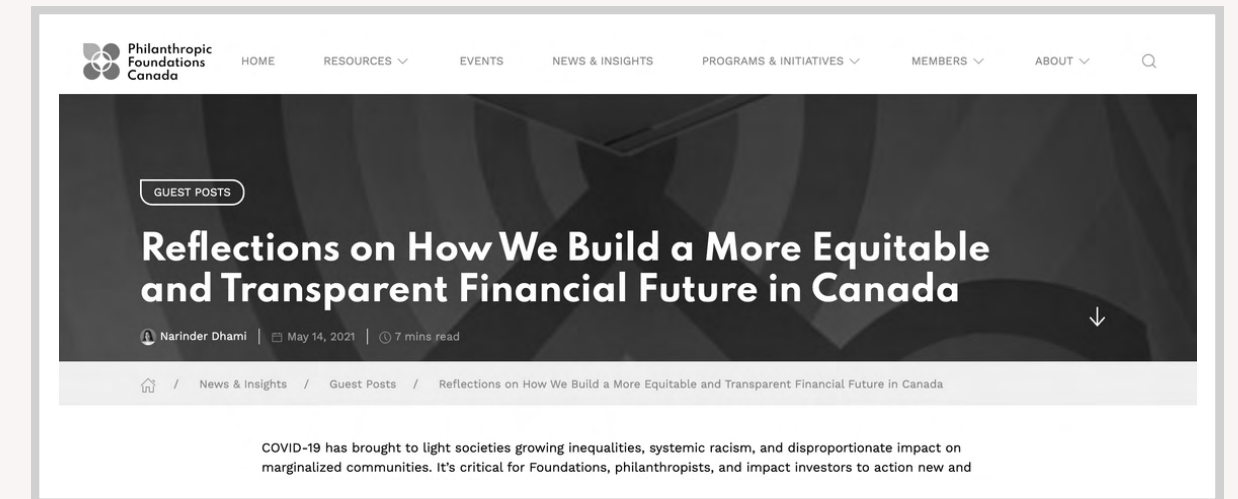
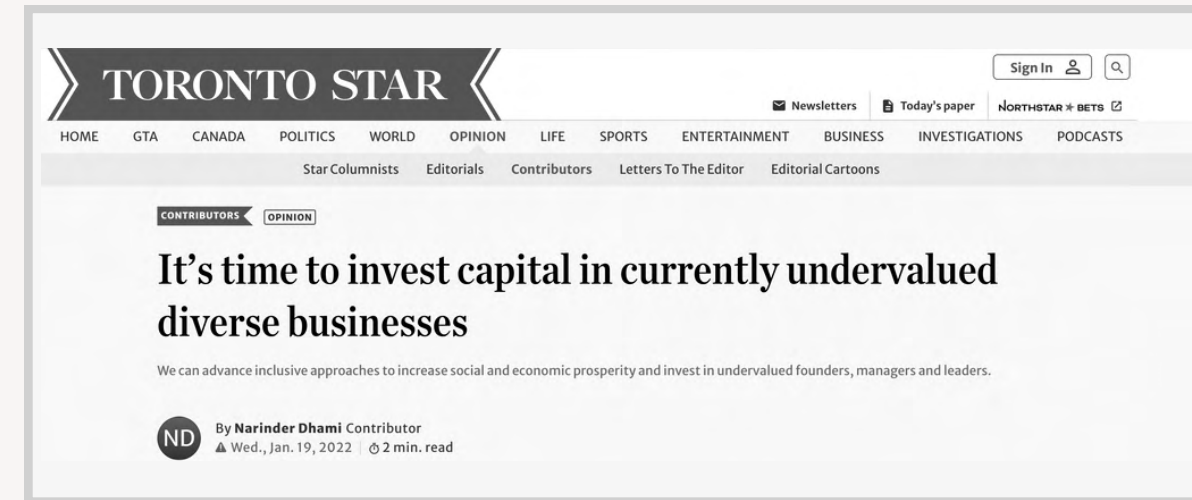


In 2022, we launched a fully bilingual website to articulate the vision and approach of New Power Labs while amplifying knowledge with our library of data and insights from existing research on equity, diversity, and inclusion in capital flows.



We curate bite-sized insights, learnings, and best practices on equity, diversity, and inclusion in capital flows through our social media channels (Twitter & LinkedIn), and share regular thought-provoking insights to our community.

We have published a variety of thought pieces and editorials, and were featured and interviewed in a series of articles, including:



**We lead
data-driven research.**



Our research is working to

- Map power structures among capital deployers and institutions.
- Collect, map and visualize self-reported disaggregated sociodemographic data across capital deployers and capital recipients.
- Explore the underlying factors influencing control over capital flow, including the progression to leadership positions for underrepresented communities.
- Examine the dynamics and mechanisms behind capital access, unpacking the diligence process through an equity lens.



We have built a deep research strategy that will be implemented across diverse capital flows,

from philanthropy to impact investing, to venture capital, private equity and bank and credit union financing. Our actionable and data-driven research supports practitioners in embedding equity, diversity, and inclusion in capital flows.

In 2021, in consultation with the government and in partnership with SVX, **we authored a report exploring capital access gaps that diverse social entrepreneurs face and recommending opportunities and a path forward to the Federal Government and broader stakeholder groups.**



This report, to be published alongside a full set of recommendations in 2023, found that:

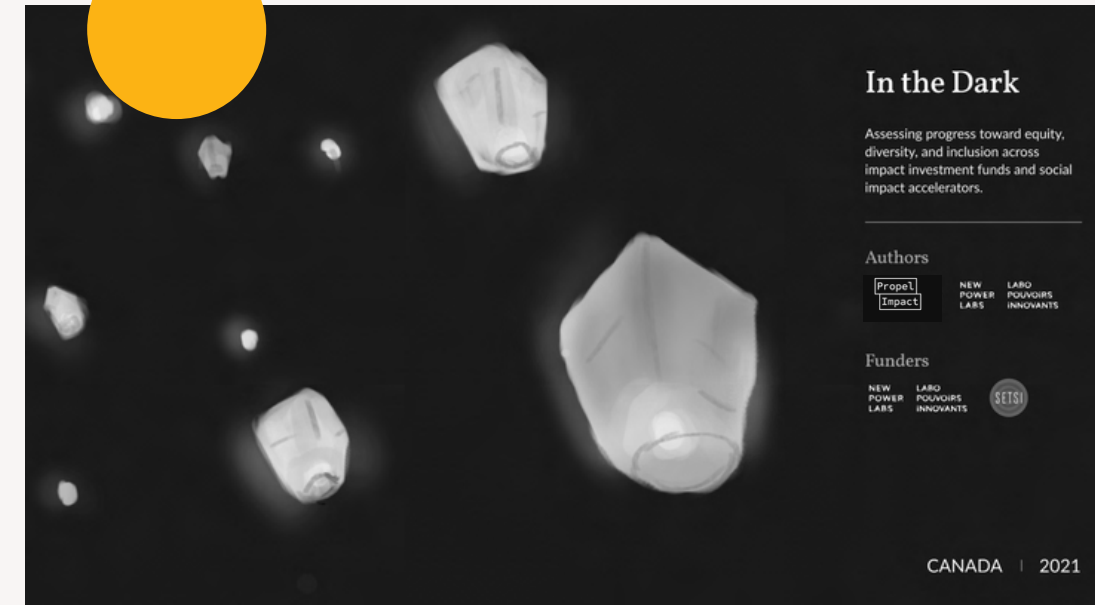
“Further reinforcing the status quo, many of these funds and social finance intermediaries believe they are inclusive. With good intentions, this group applies the same processes, models and approaches to evaluating social ventures, while often holding unconscious bias against equity deserving communities.”

“When we do not actively challenge systemic bias, oppression and racism in how capital flows, we are enabling these structures and behaviours. Today, social finance mirrors traditional finance in excluding equity deserving communities from leadership and capital.”

“In developing recommendations to reduce the barriers faced by equity deserving communities, it was recognized that neutrality enables further inequity. With a growing number of new investment funds and social finance intermediaries, there is an opportunity to build equity into their models and investment process while supporting, enabling and incentivizing existing and scaling funds to update their own practices as it relates to supporting diversity and inclusion in their portfolio.”

We also launched a research project exploring how Canadian impact investing funds, impact investing arms of foundations, and social impact accelerators are addressing equity, diversity, and inclusion within their leadership teams, internal operations, and portfolio and program ventures.

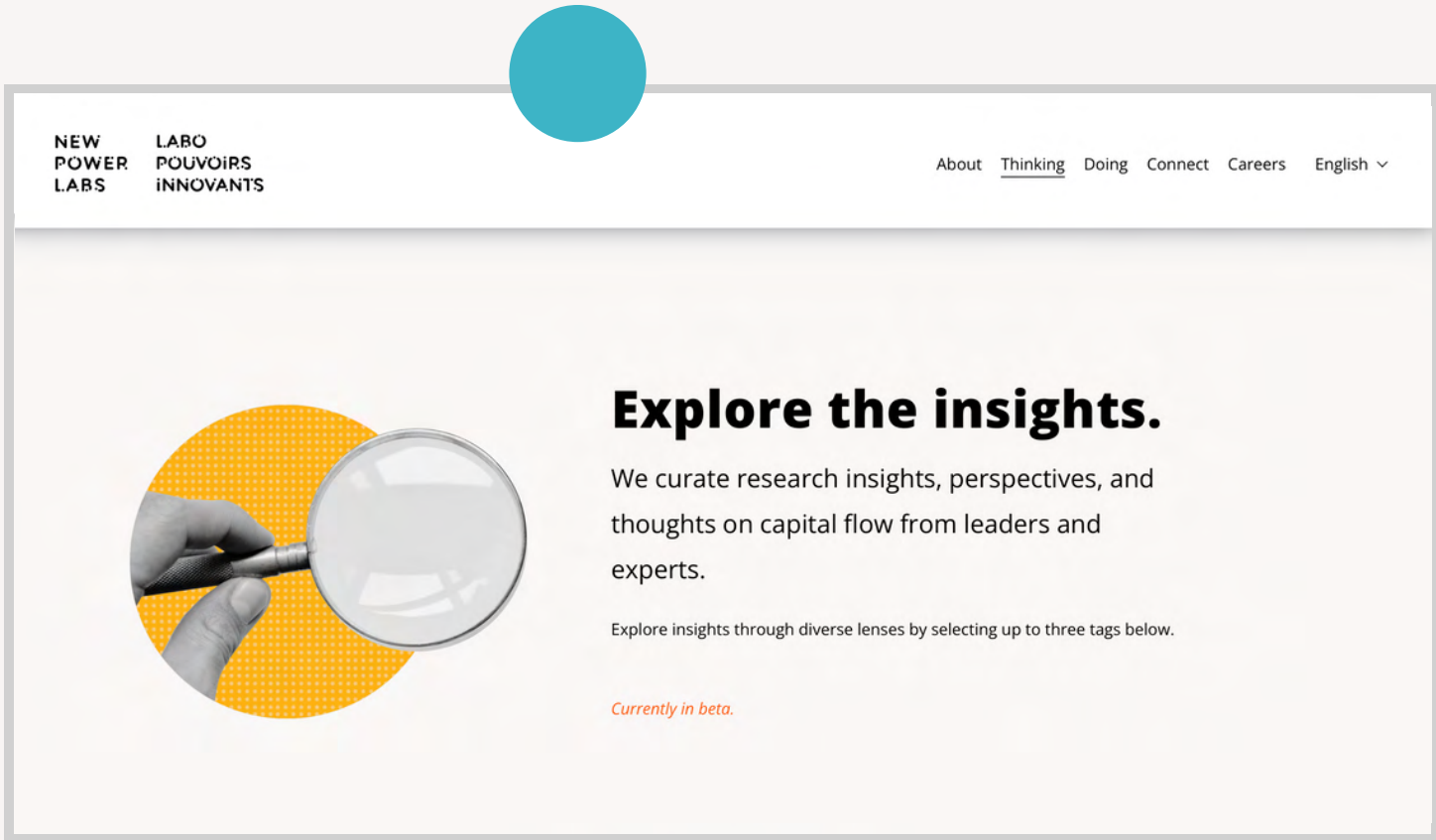
In May 2022, in partnership with Propel Impact and SETSI, we published our first report “In the Dark: Assessing progress toward equity, diversity, and inclusion across impact investors and social impact accelerators.”



Our research highlights that impact investors and social impact accelerators have good intentions and want to do better on equity, diversity, and inclusion commitments but remain in the dark, in part due to a systemic lack of data. Beyond having good intentions, the path towards equity will require a long-term commitment of human and financial capital. Building shared resources will accelerate change across impact investors and social impact accelerators.

To move out of the dark, we must map to whom capital flows and collectively work towards transparency in setting, monitoring, and reporting on key equity goals.

In October 2022, we launched a library on our website sharing aggregated research and reports on capital flow to various diverse communities. This growing library aims to support access to data and insights.



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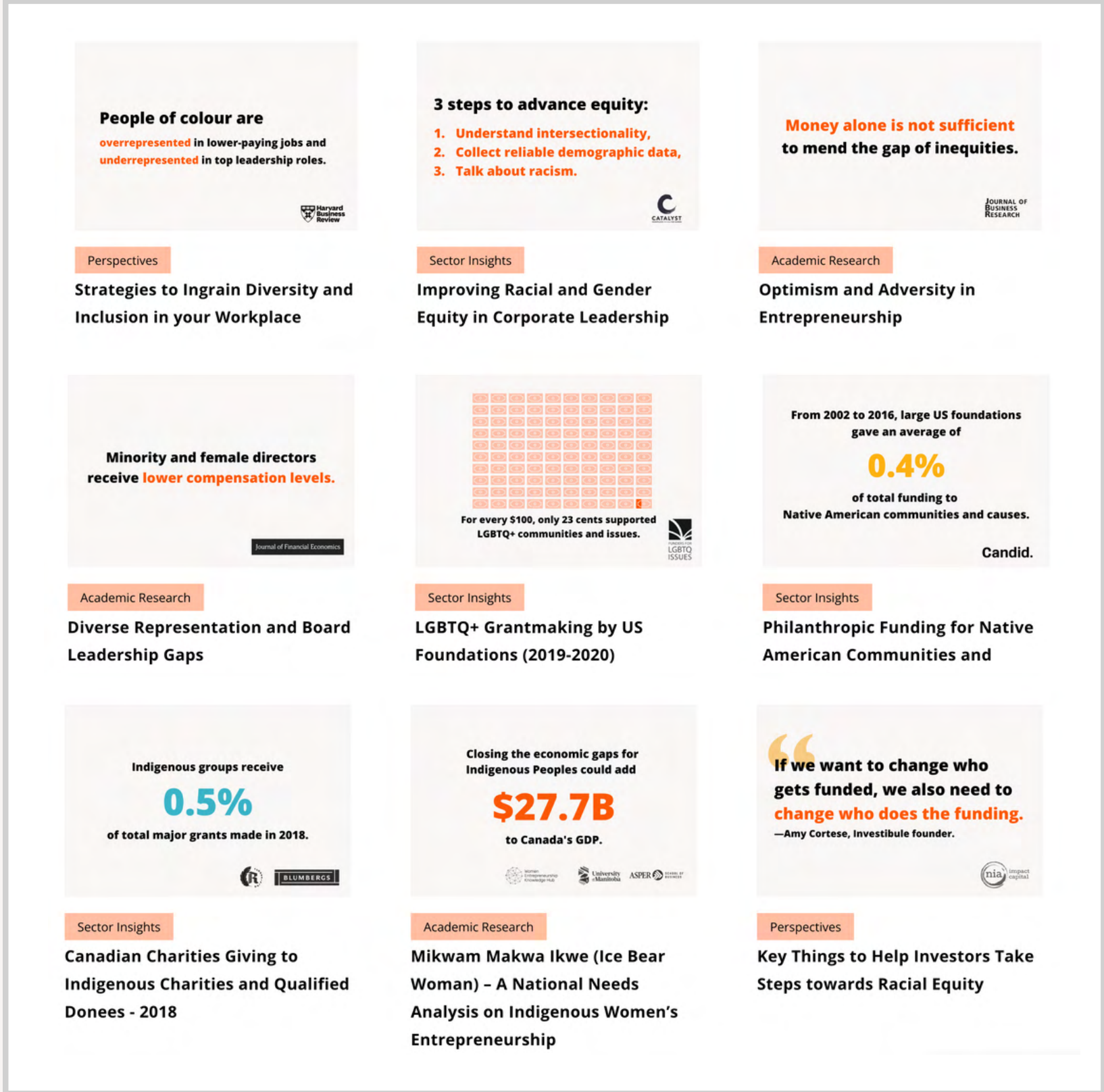
About [Thinking](#) [Doing](#) [Connect](#) [Careers](#) [English](#) ▾

Explore the insights.

We curate research insights, perspectives, and thoughts on capital flow from leaders and experts.

Explore insights through diverse lenses by selecting up to three tags below.

Currently in beta.



- People of colour are overrepresented in lower-paying jobs and underrepresented in top leadership roles.** Perspectives | Strategies to Ingrain Diversity and Inclusion in your Workplace | Harvard Business Review
- 3 steps to advance equity:** 1. Understand intersectionality, 2. Collect reliable demographic data, 3. Talk about racism. Sector Insights | Improving Racial and Gender Equity in Corporate Leadership | Catalyst
- Money alone is not sufficient to mend the gap of inequities.** Academic Research | Optimism and Adversity in Entrepreneurship | Journal of Business Research
- Minority and female directors receive lower compensation levels.** Academic Research | Diverse Representation and Board Leadership Gaps | Journal of Financial Economics
- For every \$100, only 23 cents supported LGBTQ+ communities and issues.** Sector Insights | LGBTQ+ Grantmaking by US Foundations (2019-2020) | LGBTQ Issues
- From 2002 to 2016, large US foundations gave an average of 0.4% of total funding to Native American communities and causes.** Sector Insights | Philanthropic Funding for Native American Communities and | Candid
- Indigenous groups receive 0.5% of total major grants made in 2018.** Sector Insights | Canadian Charities Giving to Indigenous Charities and Qualified Donees - 2018 | Blumbers
- Closing the economic gaps for Indigenous Peoples could add \$27.7B to Canada's GDP.** Academic Research | Mikwam Makwa Ikwe (Ice Bear Woman) - A National Needs Analysis on Indigenous Women's Entrepreneurship | University of Manitoba, ASPER
- "If we want to change who gets funded, we also need to change who does the funding." -Amy Cortese, Investible founder.** Perspectives | Key Things to Help Investors Take Steps towards Racial Equity | nia

**We co-designed a practice framework
to move insights into action.**

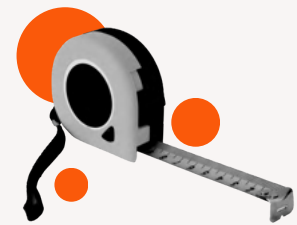


“

New Power Labs is a collective platform for investors, for asset managers, for philanthropists, for educators, for government, for Canadians.

Sally Dimachki
Policy Analyst, Social Finance Fund

Developed with our Co-Founders and partners, the New Power Member Network framework will support organizations to embed equity, diversity, and inclusion (EDI) in how they flow capital.



Map your portfolio across 10+ diversity lenses.



Learn from deep dives on EDI topics (in-person and virtual).



Gain peer support to address shared EDI challenges.



Participate in leading research to advance goals and our EDI knowledge.



Co-create prototypes to flow capital to underfunded and overlooked communities.

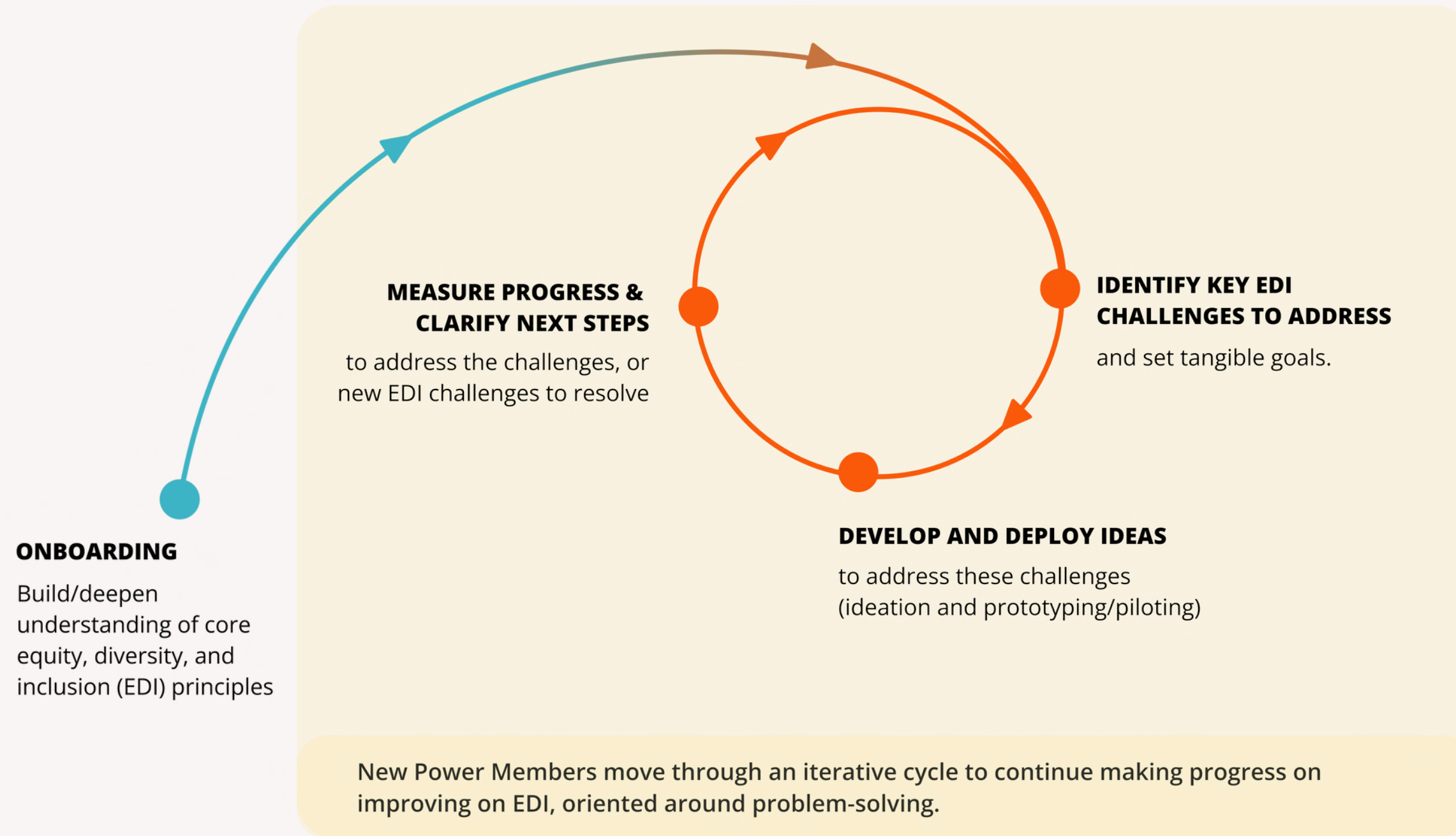


Learn from and build new connections with sector peers.



Join the movement for more equitable and inclusive capital.

We have a collective roadmap to drive equitable capital flows with a cohort of New Power Members.



newpowerlabs.org

New Power members are connected through a learning process and encouraged to work with peers to solve mutual challenges and share new knowledge, learning, and practices. Members are committed to transparency and accountability of how capital flows across the capital spectrum.

We confirmed practice partnerships launching in 2023 that will help answer complex questions about putting diversity, equity and inclusion into capital practice.

We worked to move ideas into action, bringing together community partnerships and global best practices to set up prototypes that allow us to learn and share what works. From a fund designed from the ground up to be equity-and-diversity-led, to place-based investment models that help capital deployers achieve more impact by sharing power with the communities they support, our practice partnerships will accelerate ways of working that achieve greater equity across capital flows.



**We kicked off our work
on benchmarking.**



We launched a resource library on benchmarking.

From the In the Dark report, we learned that a lack of standardized benchmarking tools and approaches makes it harder for organizations to set equity, diversity, and inclusion targets and drive accountability. To solve this, we have mapped existing benchmarking tools and approaches used across different capital flows. This resource library will be published in 2023, and will enable organizations to better measure progress.

And we launched a pilot policy benchmarking project with 10+ impact investment funds.

In collaboration with ClauseHound, a Canadian legal tech firm specializing in using natural language processing (NLP, a form of machine learning), we are working to analyze organizational policies related to equity, diversity, and inclusion, in order to help participants map and address relevant policy gaps.



**Mapping how capital flows through the
collection of disaggregated data.**



People and Capital Flow Diversity Data Initiative

The In the Dark report uncovered that impact investors and social impact accelerators encounter practical and ethical challenges when collecting self-identified disaggregated data, and that this is still not a widespread practice.

To address this problem, we have built an approach to support capital deployers and recipients to collect disaggregated socio-demographic data with an aim to bring transparency to how capital flows across diversity: from gender, age, sexual identity, Indigenous identity, ethnicity, abilities, languages and more.

Learn more [here](#).

**New Power Labs is on
an ambitious mission.**

New Power Labs was co-created with a group of founding partners that continues to grow. We have been building strategic partnerships with the government, capital deployers across sectors, and key organizations supporting the ecosystem.

Growing our capacity and expertise to accomplish sustained impact, we have more than doubled our team. Guided by our values, each member of the New Power Labs family is deeply passionate about making capital flows more inclusive and equitable, and doing so in a manner that promotes diversity and equity.

Our five co-founders



With support from



Our values



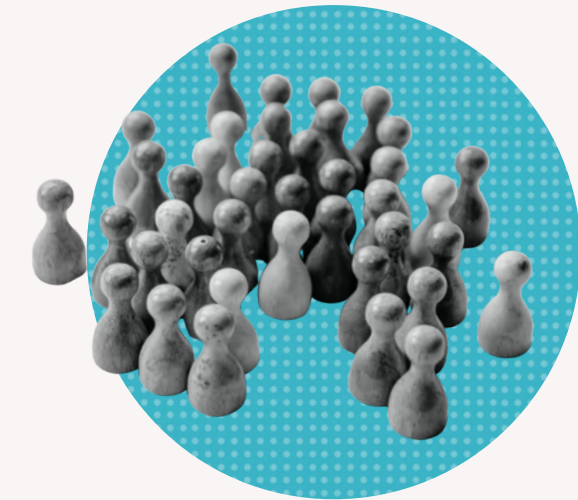
Shared New Power

- We work in solidarity with overlooked and underfunded stakeholders.
- We share power and space in a manner that celebrates diversity, is inclusive, and promotes equity.
- We recognize everyone's inherent dignity and treat everyone foremost as fellow human beings — with an aim to move beyond polarized discourse.



Bold Co-Creation

- We create solutions with — and not just for — overlooked and underfunded stakeholders.
- We listen with empathy, design based on people and their needs, and always strive to add value for those we work with.
- We challenge ourselves and our partners to be bold and to stay open to new ideas.
- We learn continuously from new evidence and continuously evolve to accelerate and expand impact.



Courageous Accountability

- We lead and build partnerships with integrity.
- We have the courage to take on difficult challenges, know when to slow down, and when to stop.
- We are transparent with our ideas, successes, and failures.
- We do not avoid difficult conversations with ourselves and with our partners.

We are working toward shifting

\$500M

**to underfunded and overlooked
founders and leaders.**

We have set ambitious targets with our Co-Founders, and taken first steps towards them. Our co-created theory of change enables us to measure progress and map our impact.



In 2023 and beyond, we will continue to work with our community to implement and build toward these targets.

Bringing together practitioners through the New Power Members Network, we are leading and driving systemic change by supporting practitioners on their transformation journeys to mobilize more capital towards underinvested and underserved communities. In partnership with Members, we are mapping their portfolios across 10+ diversity lenses, to enable transparency, benchmarking and insights.

By 2030, accredited investors, small and large foundations, and credit unions we have brought together will have deployed \$500M towards underinvested and underserved communities.



Our learnings from the last two years.



1. We need to move beyond the good/bad binary.

We recognize that our minds often operate within a binary framework of good and bad. This fixed mindset can hinder progress when policies, practices and outcomes are overlooked, as we assume our good intent will translate into good work, free from bias and treating individuals equitably.

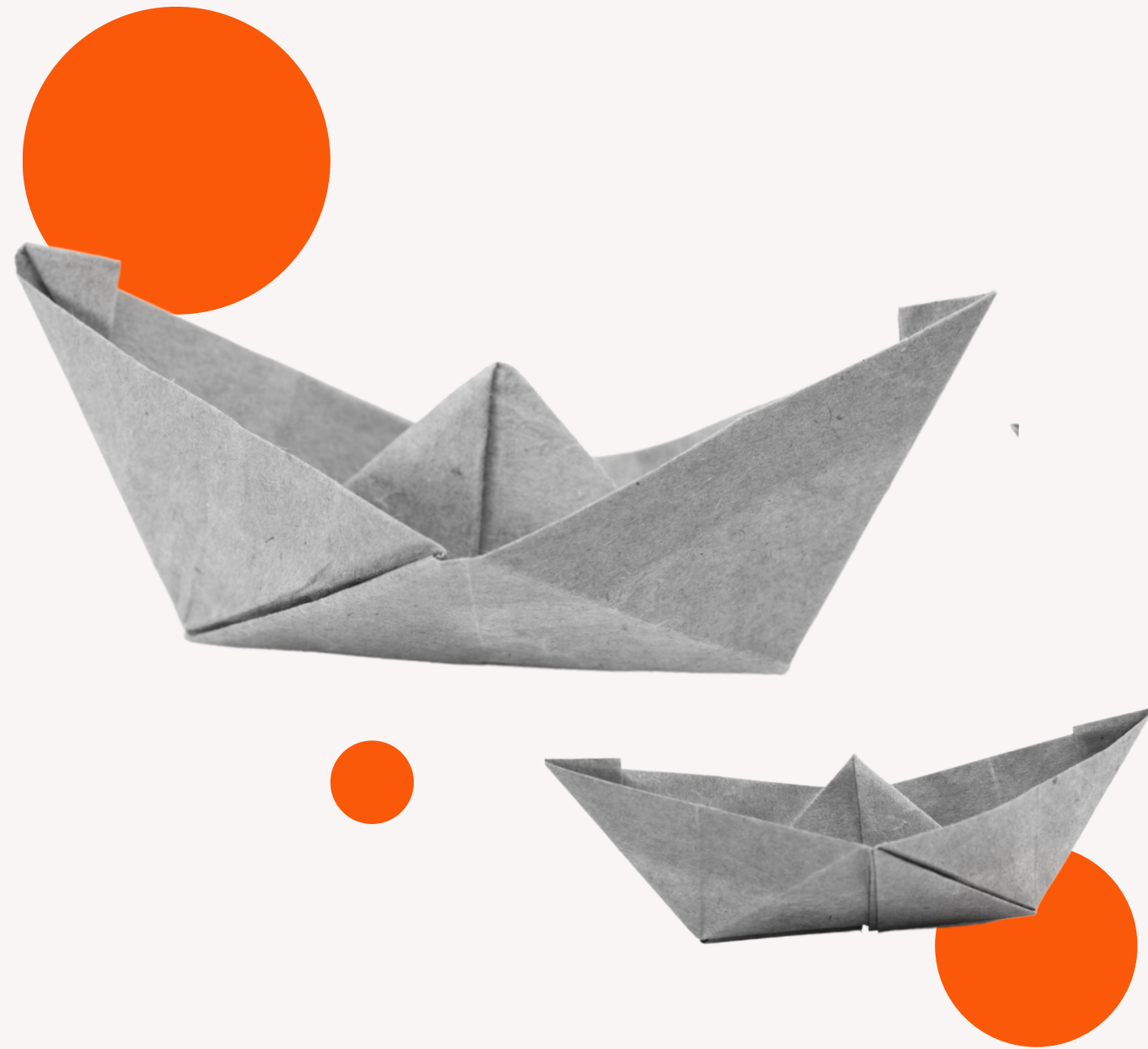
Moving beyond the good/bad binary, we can more effectively assess ourselves and adopt strategies that advance equity, diversity, and inclusion in our work. Acknowledging our imperfections and blindspots enables us to learn and evolve continuously. Adopting this growth-oriented approach fosters more constructive dialogues, resulting in equitable and inclusive outcomes while promoting ongoing learning and development.

Moving beyond the good/bad binary encourages us to challenge our assumptions and stay open to ideas and perspectives.



2. Diversity, equity, and inclusion must be explicitly prioritized and resourced.

Driving meaningful equity, diversity, and inclusion requires a sustained commitment across a spectrum of small-scale changes and transformative actions. We need to value and advance equity, diversity and inclusion as essential work that is core to improving operations and advancing impact, and acknowledge that this is a long-term journey that requires leaders to commit significant, sufficient human and financial capital.



3. We move faster and further together.

By moving out of silos and embracing collective learning and sharing, we can advance equity, diversity, and inclusion more effectively and efficiently. Making conversations, datasets and research findings more accessible and transparent, and openly collaborating across the sector breaks down barriers and enables improvement. Building a movement takes all of us, as contributors, learners and leaders.

**2023 will be an exciting year for
New Power Labs as we continue to
build momentum.**

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RESEARCH

Across 2023, we are advancing key research and launching our People & Capital Flow Diversity Data initiative, to drive transparency and lay the foundation for collective change.

We continue to build a library of leading edge research summaries relevant to equity, diversity and inclusion in capital to provide partners and practitioners with accessible, concise and practical insights.



PRACTICES

**We are launching a coalition
— the New Power Members Network — to
share insights and take action through
practice partnerships and prototypes.**

Further, to accelerate innovative ways of flowing capital more equitably based on collaborative, scalable solutions we are launching two new practice partnerships.



BENCHMARKING

We are working with partners to align on benchmarks that help set aspirational goals and drive accountability.

We are publishing the Equity Benchmarks Library, mapping and aggregating existing equity, diversity, and inclusion benchmarking approaches to support practitioners.

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EDUCATION

We will continue to share insights and practices to build momentum across sectors, and to build public support for our movement.

Through a host of channels — including **Equity Shots**, a weekly newsletter; **an op ed series; a podcast; and monthly webinars** — we will share accessible, practical insights on capital and equity, diversity and inclusion, showcase Canadian and international best practices and raise awareness around relevant issues and credible solutions. We will convene our **first public, in-person conference** to establish the urgency and importance of making capital flow more equitably; broaden interest in joining a cohort of New Power Members; and build credibility for New Power Labs' work.



PLATFORM & ORGANIZATIONS

We will strengthen our capacity, reach, and governance to take on our ambitious agenda to make capital flow more equitably.



New Power Labs is a lot of things. It's a community of like-minded leaders in finance, in impact investing, in social innovation, who all know that we need to change the way that things are done and, more importantly, are committed to seeing this change come to life. It's a go-to place for organizations that are looking to learn how to become more equitable and inclusive. It's where learning resources, equity, diversity and inclusion research and actionable ideas can all be found. And finally, it's a way for us to hold each other accountable to our goals and our targets in a way that is compassionate and empathetic.

Cheralyn Chok
Executive Director, Propel Impact

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**We will move further
and faster together.
Join our journey.**



Let's connect.

newpowerlabs.org

Twitter: [@NPL_LPI](https://twitter.com/NPL_LPI)

LinkedIn: [New Power Labs](#)