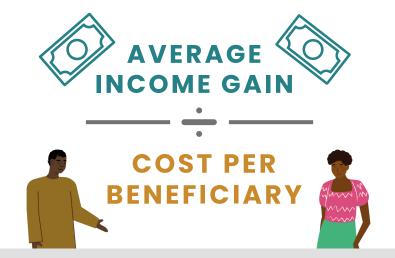


## How LIF Calculates ROI

ROI is the foundation of our funding decisions, ensuring that our grants and investments are more effective than direct cash transfers. At LIF, we focus on income-specifically, how our partners increase participants' earnings. We fund organizations that can deliver the highest income gains for their target group in the most cost-effective way.



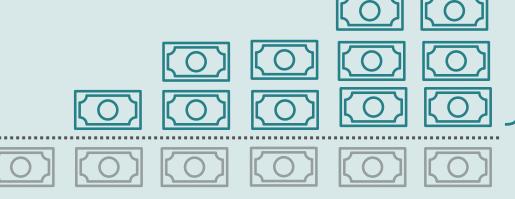


## **OUR BENCHMARK:**



For every \$1 dollar of your program cost, participants earn \$5 more across the next 5 years.

## CALCULATING YOUR AVERAGE INCOME GAIN



Average income gains of your participants over 5 years

= Baseline or counterfactual income

YEAR 0 YEAR 1 YEAR 2 YEAR 3 YEAR 4 YEAR 5

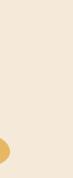
The average participant's income over the next 5 years, following your support

MINUS

The income they would have made otherwise over 5 years

## CALCULATING YOUR COST PER BENEFICIARY





The total philanthropic cost of delivering your program

DIVIDED BY

The number of people your program impacts directly

+ PLUS Any costs they must incur themselves to participate