APOLLO | Milken Innovation Center - Israel | APOLLO OPPORTUNITY FOUNDATION

On February 21, 2024, Apollo hosted and sponsored a **Milken Financial Innovation Lab Workshop: Scaling Impact and Support for Israel Small Businesses and Community Development** in its New York office – bringing together nearly 50 participants from: Apollo, other financial services institutions, law firms, and philanthropic organizations. The Workshop Lab served as an initial discussion of the tools that can be leveraged to help support the growth and development of small businesses in Israel, accelerating job creation, philanthropic support, and capital formation.

Photo credit: Eventique

The Workshop Lab and subsequent events in Los Angeles and Jerusalem in the coming months are aimed at attracting support from philanthropic institutions and government-affiliated organizations, as well as capital from global institutional investors needed to scale the Israel small business financing platform. For additional information on how you can help support the initiative, please reach out to Michael Kashani (mkashani@apollo.com).

Milken Financial Innovation Lab Workshop Key Discussion Points

- Michael Kashani, Managing Director and Head of ESG Credit at Apollo, welcomed participants to the Lab Workshop, outlined the key goals, and facilitated an engaging discussion between various participants. Discussions on how to scale support for Israel small businesses will continue at the Milken Global Conference in Los Angeles (May 2024) and **Apollo was proud to announce that it will be the anchor sponsor for a Financial Innovation Lab in Jerusalem (June 18, 2024).** Takeaways from these sessions will be incorporated in a report published on the Milken Institute website.
- Glenn Yago, Senior Director at the Milken Innovation Center, provided an overview of the Israeli economic context and the difficulties small businesses face in obtaining financing. The Milken Innovation Center, in partnership with the affiliated Milken Institute, focuses on addressing such challenges by developing market-based solutions that combine human, financial, and intellectual capital to accelerate job creation and economic growth.
- Eldan Kaye, VP of Development & Partnerships at Ogen (an Israel-based NGO receiving advisory services from Milken), provided a successful case study of leveraging philanthropic resources to issue structured financial securities which provide small businesses with access to subsidized interest loans and financial mentoring opportunities. Through its two Credit Access Bond Issuances, Ogen became the first entity in Israel to securitize loans to small businesses.
- Jonathan Bar, Managing Director on the High Grade Alpha team at Apollo, led a discussion of potential structuring opportunities for Israel small business loans that would be attractive for global institutional investors while also enabling lower cost financing for small businesses in Israel. This discussion was supplemented by perspectives from Steve Rubin (Principal on Apollo's Structured Credit team) along with contributions by representatives from Moody's, Paul Weiss, PWC, Milken Institute, and Goldman Sachs Asset Management on credit rating, legal, structuring, and tax considerations.
- Lori Shapiro, Director on Apollo's ESG Credit Team, discussed the importance of providing robust impact measurement and reporting to demonstrate the positive social impact such securities have on vulnerable or underserved populations (i.e. women, Arab Israelis, etc.) and help unlock additional pools of capital from impact-focused investors globally.
- Rafi Musher, board member of Stax Consulting, discussed the Milken Innovation Center's goal to develop the tools (Financial Innovation Labs) and talent (fellowship programs) needed to support such projects, and underscored the importance of philanthropic and government support.
- Lauren Coape-Arnold, Managing Director and Global Head of Citizenship at Apollo, and Jane Veron, CEO of The Acceleration Project, discussed how customized training and mentoring could provide vital support for small business owners and reduce financial risk for the structured security.