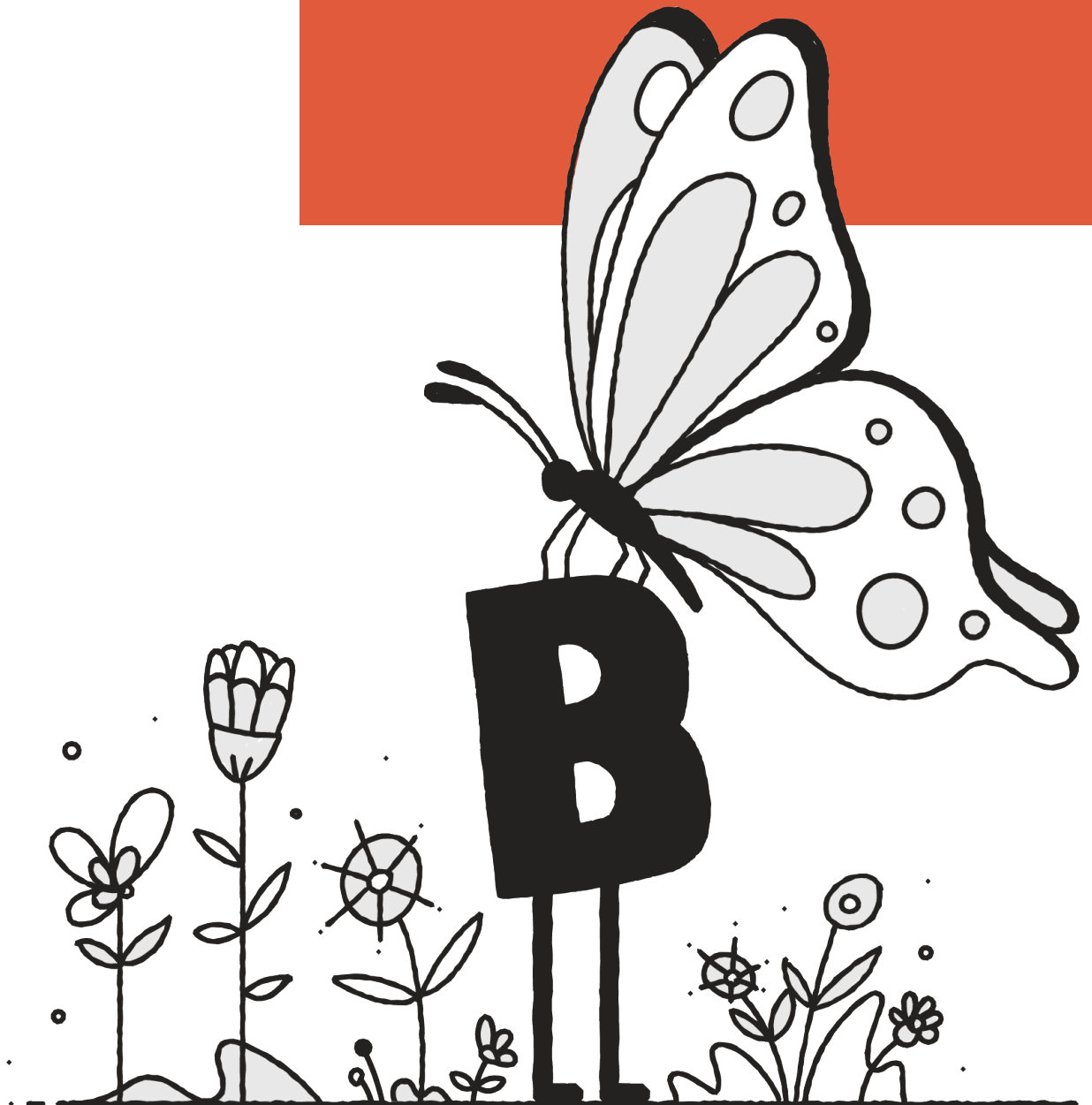


# BECKON

Responsible  
Investment Policy



## Purpose and Scope

Beckon Capital is a responsible, ethical investing firm based in Australia. We Beckon a different approach to investment management, sharing expertise and mobilising capital to create positive impact, generating strong returns for all. We help enterprises, developers and investors maximise potential and develop win-win relationships with their communities and environment.

This policy outlines the principles and approach by which the Beckon team operates and creates value for all stakeholders. This policy applies to all of Beckon's Investment Products.

## Guidelines

Beckon is a member of the Global Impact Investing Network (GIIN) and the Responsible Investment Association Australasia (RIAA).

Beckon Capital is a Certified B Corporation and believes in the power of business to build a more inclusive and sustainable economy.

Beckon is committed to the following actions:

- Integrate impact and ESG data into investment analysis and decision-making processes.
- Partner with investments to co-develop and assist in implementing strategies to achieve impact and financial outcomes.
- Engage with investees to build capability in collecting, managing and reporting on impact and ESG data.
- Share insights and knowledge with stakeholders in the investment ecosystem.
- Collaborate with government agencies, industry bodies and wider stakeholders on initiatives to improve responsible investment practices and outcomes.
- Evaluate and report on the implementation of Beckon's Responsible Investment policy.

## Approach

Beckon believes that businesses and projects that sustainably create responsible, positive impact are stronger and more resilient, and understanding and improving impact and ESG measures are a key driver of quality financial performance.

Beckon's approach to investing is guided by the thesis that:

- All businesses and projects can and should understand their holistic impact, both positive and negative.

- Data promotes better decisions, improved design and provides a comparative advantage for brands and projects.
- This understanding is intrinsically beneficial to drive sustainable businesses and projects that are financially stronger, more resilient, and greater contributors to the wellbeing of their communities, people and the planet.

See appendix for implementation of impact and ESG data in Growth investment decision making processes.

### **Reporting**

Beckon believes the provision of impact data will help investees and investors to make better-informed decisions towards greater financial and impact returns.

Beckon will produce annual reports covering the aggregate economic, ESG and impacts performance of investee enterprises and projects for the benefit of our investee and stakeholders.

### **Review of Policy**

Beckon's Responsible investment Policy is a living document. The policy is reviewed and updated as required and at least annually by the Investment Committee.

International standards for impact assessment are evolving rapidly. Beckon is confident that its methodology meets and exceeds current standards and it will continue to evolve this methodology to meet global best practices and standards.

## Appendix: Beckon Impact Growth Equity Process

### *Selection*

Our enterprise investments team invests in and supports assets across all sectors with intention and capacity to deliver positive impact - whether or not delivering impact was their foundational principle.

- Supporting businesses across the impact maturity spectrum to aspire to excellence delivers the broadest positive impact across the universe of small business in Australia
- Beckon's growth equity investment style is particularly suited to this inclusive and hands-on approach to impact.

Beckon applies a lightweight negative gate at the beginning of our investment process to filter investments that inherently do not align with our mandate or cause significant harm. Beckon will not invest in enterprises which;

- Fail to take responsibility for the full impact of their actions on individual wellbeing, community integrity and the health of the planet.
- Have business models that generate material revenues in fossil fuels and fracking, weapons and armaments, tobacco and gambling, exploitative financing, and enterprises with human rights violations implicated in their supply chain.

### *Due Diligence*

Beckon integrates ESG and impact data into the decision-making process at all stages of the investment lifecycle. Beckon's impact data measurement and analysis methodology incorporates in-house frameworks specifically developed to cater for the capabilities and needs of Australian SMEs, involving:

- An investment scoring system that concurrently scores an applicants' impact and financial potential. The scoring framework equally weights financial and impact dimensions.
- An outcomes-based impact measurement tool similar to the Impact Management Project's 5 Dimensions of Impact.
- A 360° stakeholder assessment based on ESG criteria.

### *Just - In - Time Capital*

Our Just-In-Time capital allocation process involves an agreement with the investee with regards to the total value of the investment, time period and agreed milestones. The investment is progressive, and each successive tranche of capital is released only

when the business achieves an agreed milestone. The milestone will typically reflect a major advance for the business that will also increase the business' valuation, this may be financial or impact/ESG.

This structure provides benefits to both investors and investors. For investors, it represents secured funding that is timed to align to the business' capital needs, and an optimised valuation framework. For investors, it lowers the risk in any individual investment and provides opportunities for formal engagement in co-development of enterprise strategy.

### *Active Asset Management*

Beckon is an active investor and provides ongoing support to the businesses in which our products invest, in order to improve financial and impact outcomes, and reporting capabilities.

This support takes the form of investee-specific strategies to improve productivity, enhance governance, build capability and reduce the risk of failure. The need for these strategies is identified as part of the investment process and strategies are further underpinned by milestones for capital investment where applicable.

Beckon employs a flexible approach to our engagement and dialogue with investees. Generally, we aim to meet with investee on a quarterly basis. Engagement can be undertaken directly, in collaboration with other investors, or in collaboration with external service providers.

### *Voting*

When Beckon exercises decision making over shareholder voting rights, Beckon recognises that the execution of ownership rights including voting and engagement can positively influence risks and returns. Consequently, where practical, Beckon ensures that ownership rights are exercised in a manner that is consistent with this Policy. (Beckon in the usual course does not exercise a right to a board seat or board voting rights in its investees. When Beckon does take a board seat it exercises its rights in a manner that is consistent with this Policy).

### *Responsible Exits*

Beckon's approach to exits conforms to the International Finance Corporation's (IFC) Operating Principles for Impact Management. Exit decisions require approval by the Investment Committee and include impact considerations such as the effect of timing, buyer choice and deal structure on impact realisation.