

2019 Review

Tripple

We believe in the power of capital to create a better future.



January 2020

2019 Snapshot

The times, they are a changing. Looking back on 2019, we're starting to see the seeds of a new normal emerge for investing. One that listens to the planet and people when it says the old ways of doing business are not working anymore and there is a better way.

And while the writing has been on the wall for a while now, when the biggest investment company in the world, BlackRock, announced in Jan 2020 that they will begin their transition away from fossil fuels and noted in their investor report that we are "on the edge of a fundamental reshaping of finance" it seems we're getting closer and closer to a tipping point. We're not there yet and there's a lot more work to be done but it is a big step in the right direction.

So now can we stop saying impact investing and just call it good investing? Good for people, planet and profits, where we ask questions like "how much can we add to the world with this dollar?" instead of mindlessly maximising profit at the expense of a bright future for generations to come. There are no inherent trade-offs anymore and we can achieve both great impact and great return.

Likewise, 2019 saw a shift at Tripple too. A shift from divesting towards an ongoing strategy that actively seeks to contribute to solutions for a better future. Lucky for all of us, the market is moving too and we're finding new products, inspired founders and investment opportunities that push harder on impact and have allowed us to move into this new phase relatively seamlessly.

We're not the first to do this and we won't be the last (we strongly believe this is the future of capital) but we're here as an example of what one investment company can look like, with this in mind.

2019 also saw the introduction of a few new initiatives for us at Tripple. We developed our impact calculator that assigns an impact score for each potential investment as a first stop before financial analysis. This calculator takes into account the beneficiaries, depth, scale and likelihood of impact as well as the additionality of the organisation/project and the negative consequences (see in report for details). Most importantly, it keeps us accountable to why, and how we make decisions. We also developed a gender smart survey to assess where we land on gender equity for our total portfolio, the survey and results which we hope to make public very soon. Our updated website now lists all our investments and will serve as a hub for sharing public impact screenings for all future investments.

We hope we can be a small part of the collective learning and co-creation of the new normal and share this in order to open the conversation about our blindspots and where we can improve as well as maybe help someone else out on their mission to use capital as a force for good. If you have something to share or are keen to learn more, we'd love you to get in touch.

- Jake, Bec and Adam

2019 Overview

What we've done well...

- Strengthened our connections with like-minded investors in Australia
- Systemized impact scoring and financial analysis for ourselves
- Invested at an increased rate into organisations we deeply believe in
- Introducing gender smart scoring for organisations we're invested in
- Increased the number of investments in "benefit to communities" and "contribute to solutions" impact categories
- Been part of an ongoing global conversation about the future of capital

What has challenged us...

- Connecting with like minded investors outside of Australia
- Impact analysis on projects that we're not close to
- Communicating our approach to conventional investors
- Passing on projects where we were unable to assess the impact risks

What we've done badly...

- Sourcing international investments
- Missed opportunities to publish screening papers and share due diligence materials
- Lacking a clear strategy on granting means we've missed strategic opportunities here

Goals for 2020...

- Publish impact screening papers for each organisation we invest in
- Release a total portfolio gender smart score
- Connect with the global community of like-minded investors
- Build our network of smart people
- Continue to invest

Impact calculator - an impact first approach

The impact calculator is our attempt to rank opportunities across different sectors and asset classes by unifying them with an impact score from -1 to 5. The underlying framework is borrowed from the [Impact Management Project](#), (IMP) a non-profit forum for building global consensus on how to measure, manage and report impact using a community of over 2000 organisations across the world.

Below is how we've adapted the IMP framework to assign a score to each metric and help us make decisions and communicate both internally and externally about where our investments sit. This is something we'd love to share and we're still working on. If it is something of interest to you, please get in touch.

The 6 dimensions of impact

Gut - Are we aligned with the mission and founders?

What - What activities does this organisation drive? How important/urgent are they?

Who - Who is this serving? Where are they? How underserved are they relative to the outcome?

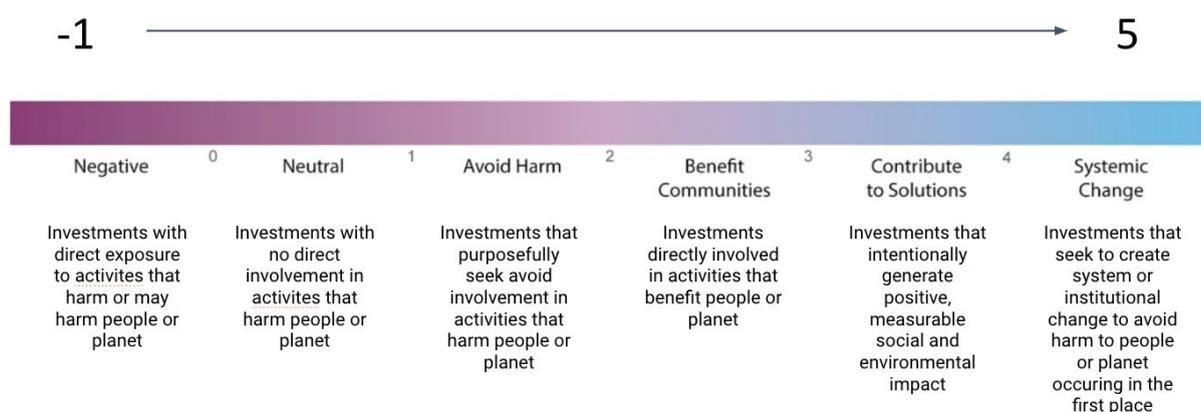
How Much - How much does this change the lives of beneficiaries? For how many? For how long?

Contribution - What is the organisation/project's contribution to what would likely happen anyway? How likely is their intended outcome? How long will it take to happen?

Risk - What are the intended or unintended negative consequences that will come from this?

Scoring framework

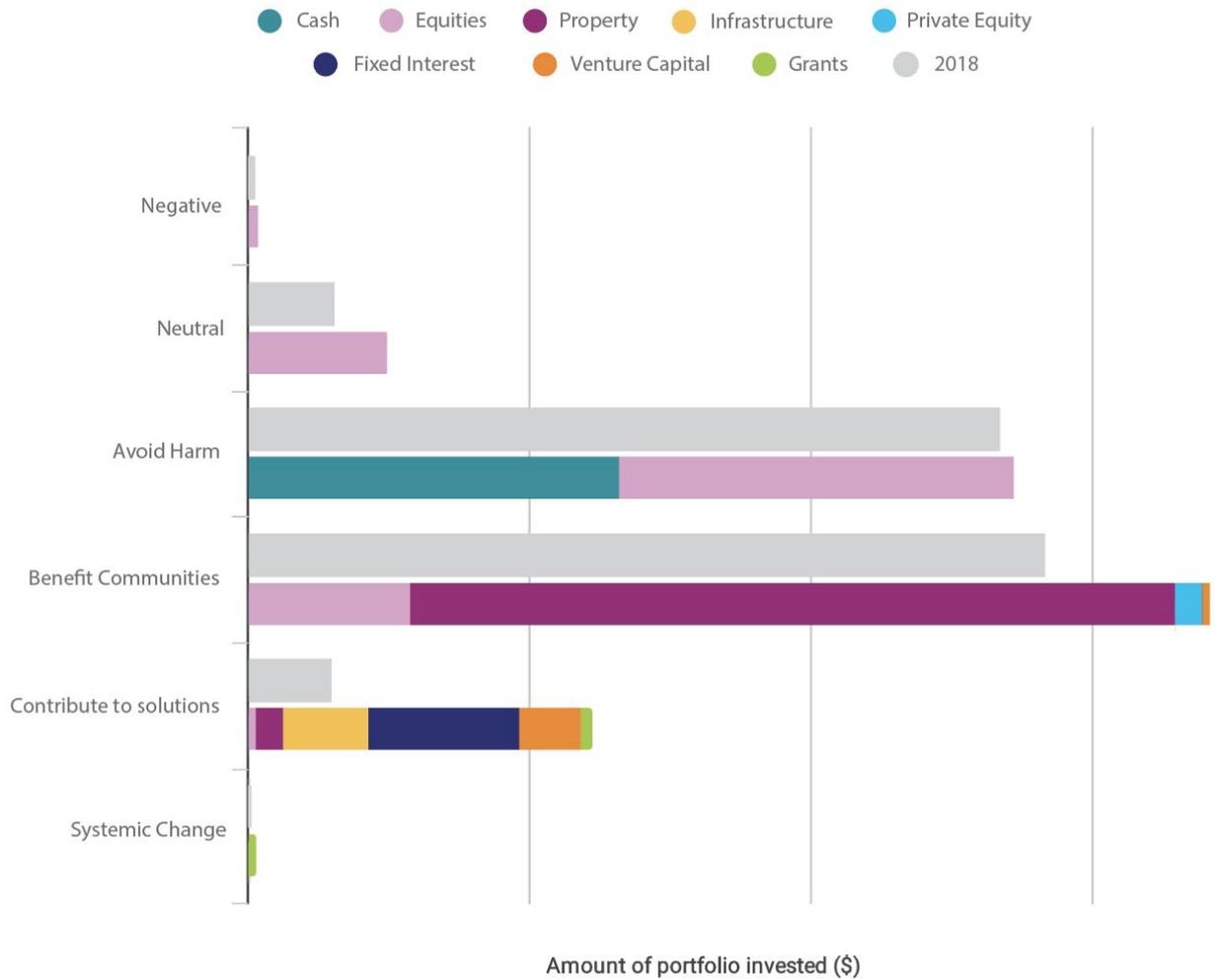
Using a simple self-assessment tool and automatic calculator we create an impact score for each potential investment between -1 to 5 which relates to each impact category. The graphs in the following pages show how we use these impact scores to understand where we're at today, where we've come from and where we might be going.



Where we're at (as at Dec 30 2019)

Investments by Impact Class classified by Asset class

Comparison to 2018 deployment by impact class



Portfolio Snapshot

Deployed as at December 31 2019

Investments Made*

Public Equities

WHEB Global Impact Fund

Betashares FAIR

Betashares ETHI

Infrastructure

IIG Solar Asset Fund

Infradebt

Future Renewables Fund

Light Warrior Impact Fund

Venture Capital

Applied

Sempo

Verve

Ability Made

TEM

Zipline

ADA Ventures (Fund)

Patamar Ventures (Fund)

Fixed Interest

Sticking Together SIB

Infradebt Fund

Property

KWS

Food Connect

Northumberland

Nightingale

Grants

Progress Labs

Eat Up

StreetSmart

E-Raced

Original Power

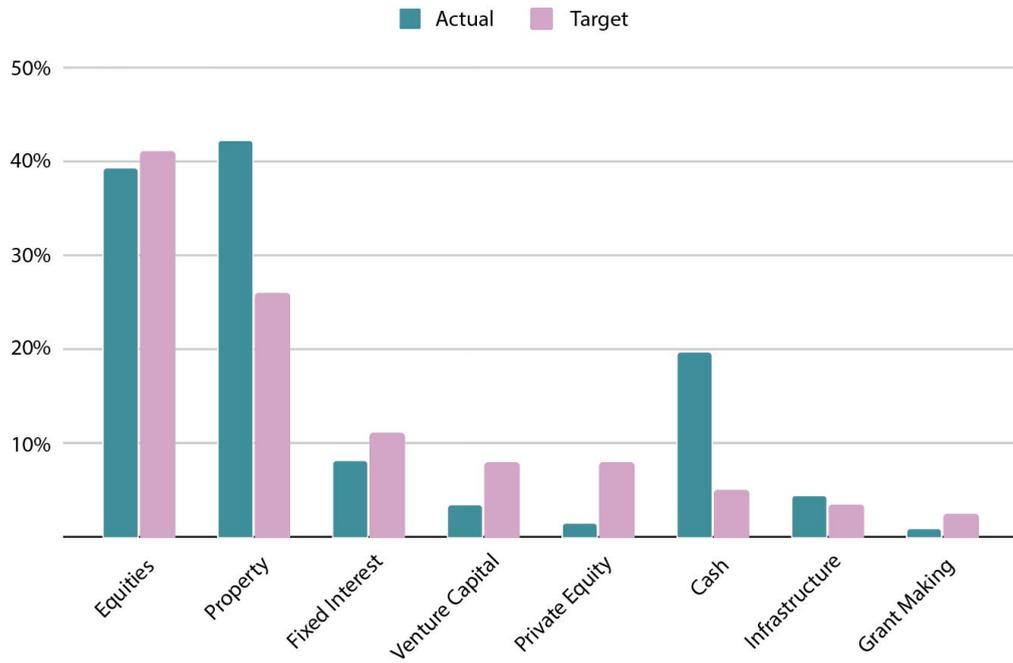
Climate Action Network

Cash

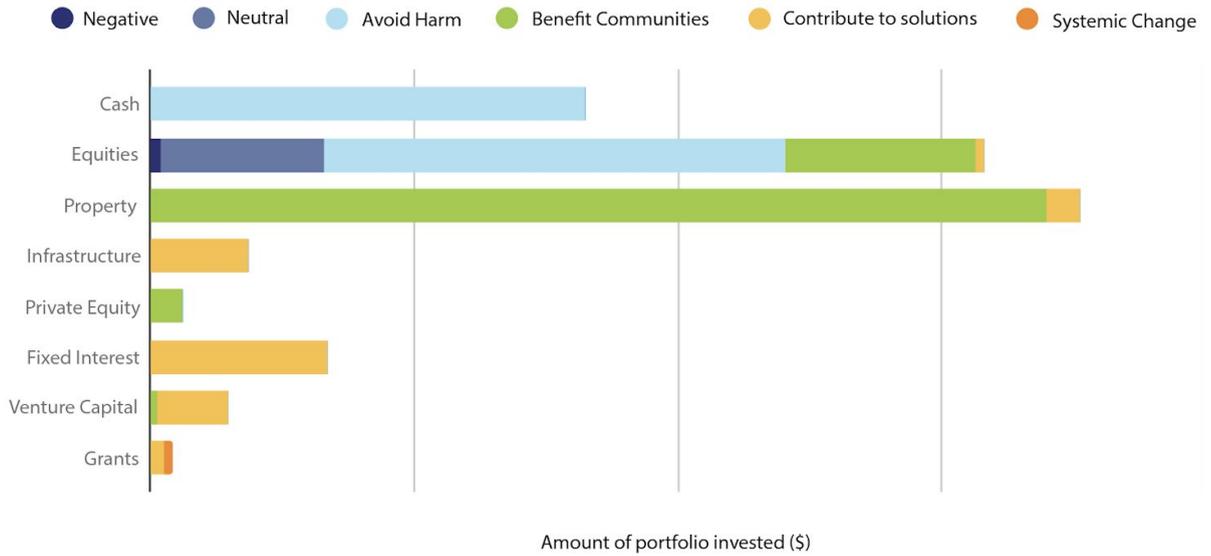
Beyond Bank

**Some investments have not yet been announced by recipient organisations so we have not included them here*

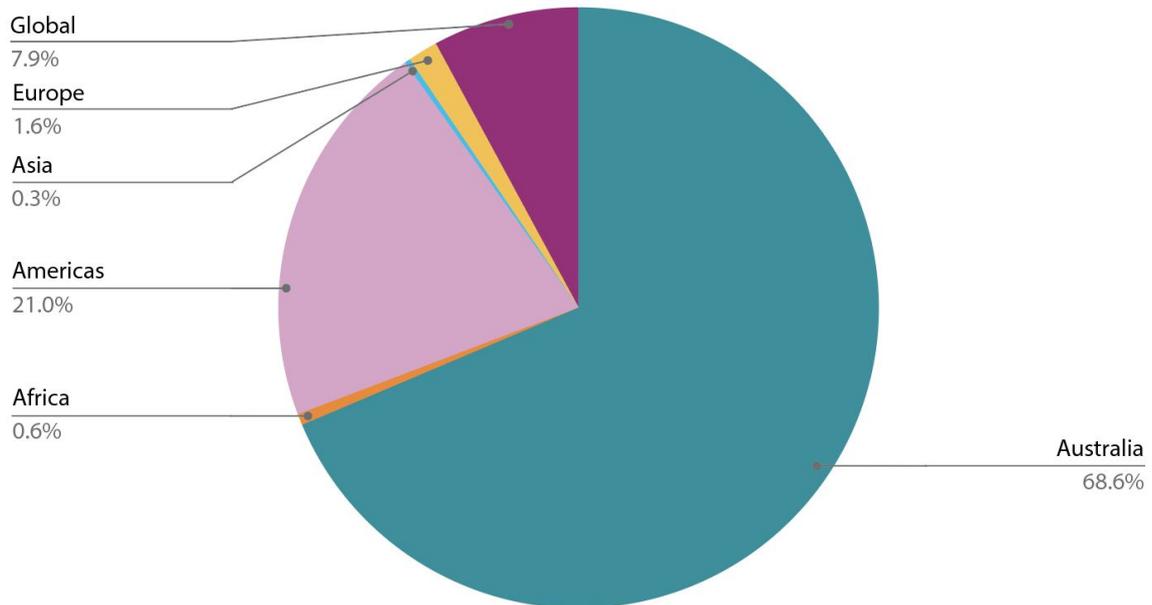
Asset Mix



Impact mix by asset class



Geographical location of investments



Impact mix by UN Sustainable Development Goals (SDGs)*

Calculated by volume of investments touching each SDG not volume of \$s in each area



**While we don't specifically make investment decisions based on their UN SDG impact area, it is interesting to see which themes are emerging in our portfolio. This is the first year we have tracked this.*



www.tripple.com.au

A private investment company using capital as a force for good