

2020 Review

Trippl

A private investment company seeking to use capital as a force for good through a combination of investments and grantmaking.





2020 in review

2020 was an unimaginable year and writing about it in April 2021, an entire year since the first lockdown in Australia feels like almost enough time has passed to just start to see the edges of the picture clearly. It revealed privilege and fragility both personally and collectively. The extreme privilege of spacious homes with outdoor spaces and work flexibility to manage online schooling not to mention our health and access to healthcare. The fragility of our food system, the inadequacy of our national unemployment schemes, the tragedy of a still rising death toll and yet, 2020 showed us that broad scale collective action and fast acting policy change is possible when we work together.

It asked us all, in the quiet moments of isolation, to more deeply question the systems we exist in, and to look in the mirror more as we watched as already marginalised communities hit hardest by Covid-19 and Black Lives Matter protests unfold around the world in a moment of global reckoning. As investors, it pushed us to think about the pace of change we seek and again and again how we balance investing in solutions for the global crises we face and also changing the systems that created and continue to perpetuate these challenges.

Opportunities to divest from destructive industries and invest in renewable energy, regenerative agriculture, job training for the chronically underemployed and others continue to provide some of the most obvious investment opportunities for people looking to make change through investing. These investments with dynamic, engaged founders at the forefront, are a joy to work with and it's always exciting to see them overcome challenges, grow and increase their sphere of impact. We continue to invest in and champion the leaders in business that challenge the status quo and show us there is another way. We are delighted to see new impact investment opportunities coming up every day across all asset classes. However, we know this work alone will not get us where we need to be.

Working to change systems is in many ways more complex and requires relying more on trust than data to understand and fund. Often it doesn't provide financial returns (to the investors that is). More and more we're drawn to this work that lifts the status quo and sets a new bar for business and society to reach higher from. We're committed to working with advocacy organisations, leading legal minds and campaigners with lived experience of the challenges they're working on. We're not the best at this work yet. We're not the first to do it. But we're leaning in and learning fast. We think this two-pronged approach to investment is crucial to affecting real change.

Part of that also means changing our own systems at Tripple including who sits at the decision making tables and decides where capital energy goes and why.



In 2020, we were lucky enough to create our own advisory board - a diverse group of amazing thinkers to weigh in on big picture strategy and dealflow, push back on our bullshit and blindspots and work collaboratively with us for a better future. Importantly, we are paying our advisors for their time and energy in acknowledgement of their work and lived experiences and the challenges of power dynamics we seek to break down. In our short time together they're already pushing us to think differently and more thoughtfully and opening us up to different networks which we consider a great return on investment. In addition, we doubled down on our commitment to transparency and became a B-corp in the first days of 2021 which we're casually claiming as a win for 2020 since that's when all the hard work happened.

2020 also saw the rollout of our gender smart survey (some encouraging results in the below report) though we have lots more work to do to find out who holds the power in the organisations we support and what questions to ask to find this out. Some organisations in our portfolio welcomed the inquiry and others felt ashamed of their reality. To tell you the truth, we're just as excited about both responses. We believe deeply in all the founders and teams we fund and it's a pleasure to shine a light in areas they don't yet excel and encourage them to build teams which are not only diverse and inclusive for the sake of social responsibility but we believe, are also more likely to be dynamic, critical thinking and high performing. One step at a time.

We feel extremely lucky to do this work, are hungry to keep pushing the boundaries and sharing and welcome anyone to get in touch who wants to find out more or has ideas to share and lights to shine in the dark places we're not seeing yet.

- Jake, Bec and Adam



2020 Highlights and lowlights

What we've been excited about

- Kicking off our Advisory board with an amazing group of thinkers
- Implementing a Gender Smart Assessment across all portfolio companies
- Deploying capital into high impact businesses more confidently and quickly
- Deploying much more money into grant-making including a significant increase into systems change work including advocacy, movement building, legislative advocacy
- Expanding our networks and portfolio in Europe and the UK
- Participated in global events, podcasts and webinars as speakers and spectators
- Deepened our relationships with and capital deployment into Australian First Nations justice
- Grew our network enabling us to make better informed decisions
- Became a B-corp

What we've been challenged by

- High deal flow and limited team resources
- Balancing the impact of our individual portfolio impact vs the impact of showing a diversified 100% impact portfolio that can be recognised by other investors

What we've done badly

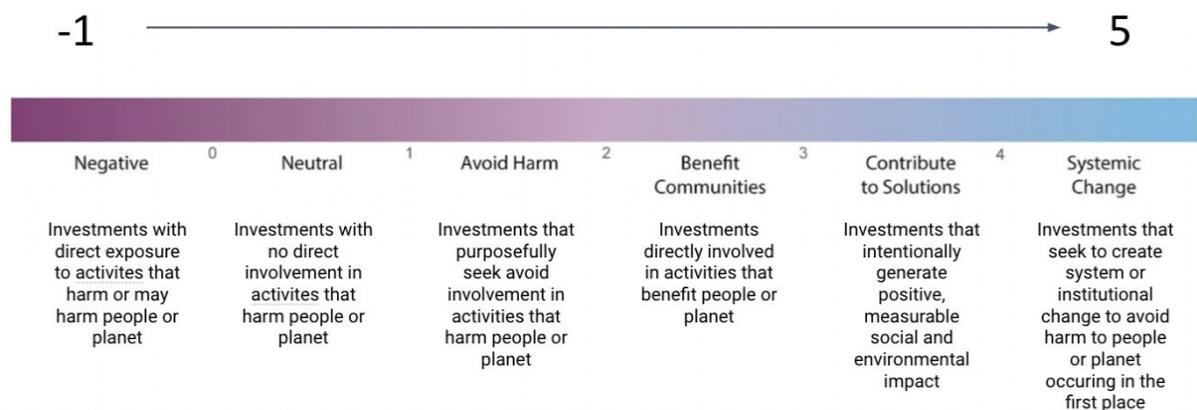
- Have let deals sit for too long if they didn't have apparent urgency and losing opportunities
- Falling behind on internal reporting because of time scarcity and prioritising due diligence and relationship building
- Failing on our goal to publishing our impact screens as committed to in our 2019 report
- Missed opportunities to foster deep relationships with some founders in our portfolio due to time constraints which minimises our ability to learn deeply from each deal
- Portfolio is still very Aus/US/UK focussed and missing opportunities in emerging economies

Strategies for the above and beyond in 2021

- Expand the Tripple team
- Develop a strategy to better focus on how to be most useful in moving the broader investment sector towards more impact deals and mentality
- Articulate theory of change by asset class for quicker more confident deployment
- Annual survey to all investees to rate us as investors and inform what we can do better
- Build a hub in Melbourne to be used as our office and gathering space for people and ideas
- Continue to deploy more targeted capital

Impact Calculator Update

We continue to use an impact calculator as the first pass for any investment we consider. Our impact calculator is our tool to rank opportunities across different asset classes and impact areas by assigning them an impact score between -1 and 5. The underlying framework is heavily borrowed from the [Impact Management Project](#), a non-profit that aims to build global consensus on how to measure, assess and report impacts on people and planet. The six dimensions of impact (described below) are assessed and an impact score for each potential investment is generated. Year on year we aim for our investments to be further right on this continuum.



Six Dimensions of Impact

Gut - Are we aligned with the mission and founders/team?

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?

In 2020, we fine-tuned the calculator to take a different approach to risk. We now assess the intended or unintended consequences of any intervention by who or what this is likely to negatively affect including; environmental health, human health, gender equality, community minorities, freedom and democracy and other. This fine tuning is intended to push us to think more deeply about the interconnected nature and ripple effects of any intervention. We would be excited to share this thinking and the mechanics of the impact calculator with anyone interested.

Total Portfolio Impact Focus

In the early stages of Tripple, we made an active commitment to be geographically and impact area agnostic i.e. we wanted to work with amazing people doing important work and we didn't mind what area they worked in or where they were. While this still stands, natural impact focus areas have emerged because of passion and/or perceived urgency and we have taken a more pointed portfolio approach to tackling some of these challenges using different kinds of capital.

We acknowledge that for some issue areas there are great solutions businesses can provide (e.g. renewable energy) but for other challenges, we need to invest more in systems change (e.g. Gender Equality). We sense that over time there will be a place for all types of capital in each impact area. We believe the combination of using different capital tools and confronting the challenges from different angles is most effective and catalytic. Where once we considered each deal quite individually, we now seek to explore how our investments work together to solve a complex problem. Below is an indicative table of some emerging impact themes and portfolio investments.

Impact Theme/ Asset Class	Transition away from fossil fuels	Future of food	First Nations Justice	Fair work and education	Strengthen Democracy / Strong institutions	Ending homelessness	Gender Equality
Public Equities	ALPS ETF Tesla	Beyond Meat Oatly					
Real Assets	Solar Asset Fund	TAIF Food Connect				Nightingale	
Fixed Interest	Infradebt Brichte	Mad Ag Perennial Fund	Ngutu College	Microverse ISA SVA			IIX women's bond
VC	Amber electric	Steward Fable		Applied Microverse Multitudes Patamar Fund	Apolitical	Job training and housing for the homeless (in spy mode)	Applied Verve Super Ada Fund
Grants	Stop AGL Westernport 350.org		Original Power Ngadju Conversation The Dhadjowa Foundation		Centre for Aus Progress Tomorrow Mvmnt AAP Media Grata Fund	Eat Up Streetsmart Everybody's home	Colorful 2020

*Note this does not represent all of our holdings as some don't fit neatly into an impact theme

Portfolio Snapshot

Current Holdings

as at 30th December 2020*

Equities

Pengana WHEB

Betashares FAIR

Betashares ETHI

Private Equity

TEM

VC Direct

Applied

Mindset

Sempo

Apolitical

Verve

Multitudes

Amber

Zipline

Ability Made

VC Funds

ADA Ventures

Patamar Livelihood

Real Assets

Australian Unity Disability Housing

Nightingale Ballarat

King William Street

Light Warrior Impact Fund

Food Connect Brisbane

IIG Solar Asset Fund

Northumberland

Tiverton Agricultural Impact Fund

Nightingale Anstey

Fixed Interest

Infradebt Fund 1	IIX Women's Livelihood Bond
Infradebt Fund 2	MadAg Perennial Fund
Brighte	Xceptional

Grants made in 2020

Centre for Australian Progress	Colourful
Original Power	Everybody's Home
Australian Associated Press	350.org
Ngadju Conservation	Economic Media Centre
Tomorrow Movement	Street Smart
Dhadjowa Foundation	Environment Victoria
Grata Fund	

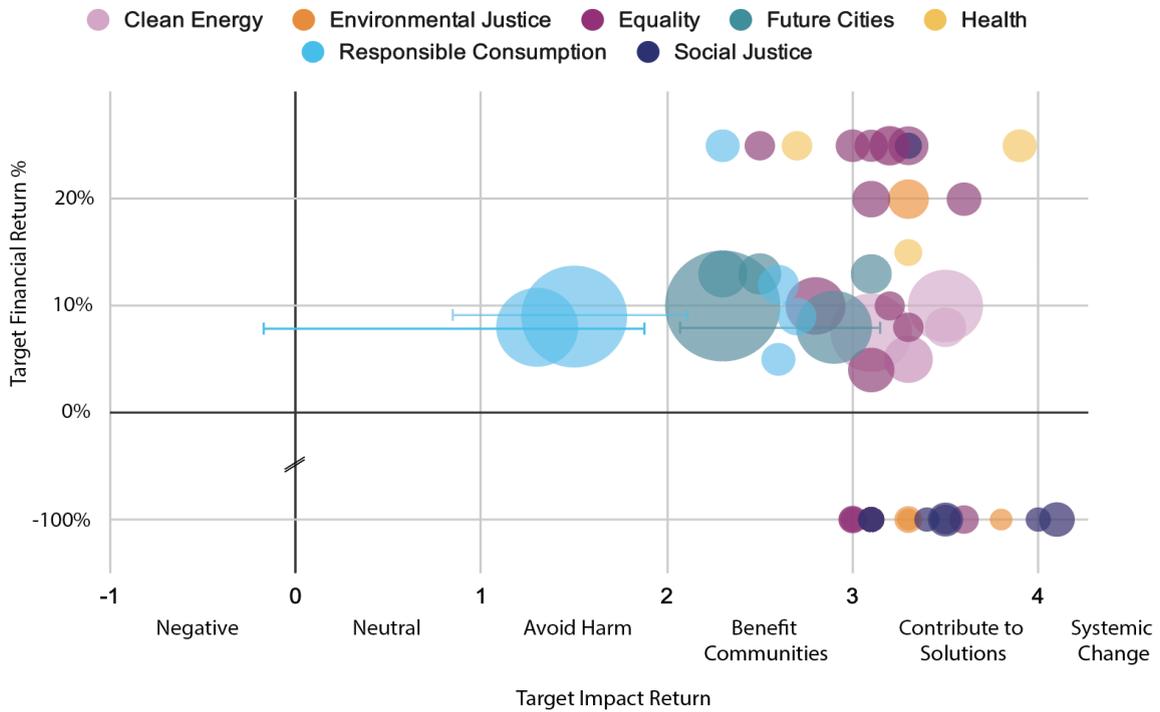
Accounts / Other

Beyond Bank	Australian Communities Foundation
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**Some investments have not yet been announced by recipient organisations so we have not included them here*

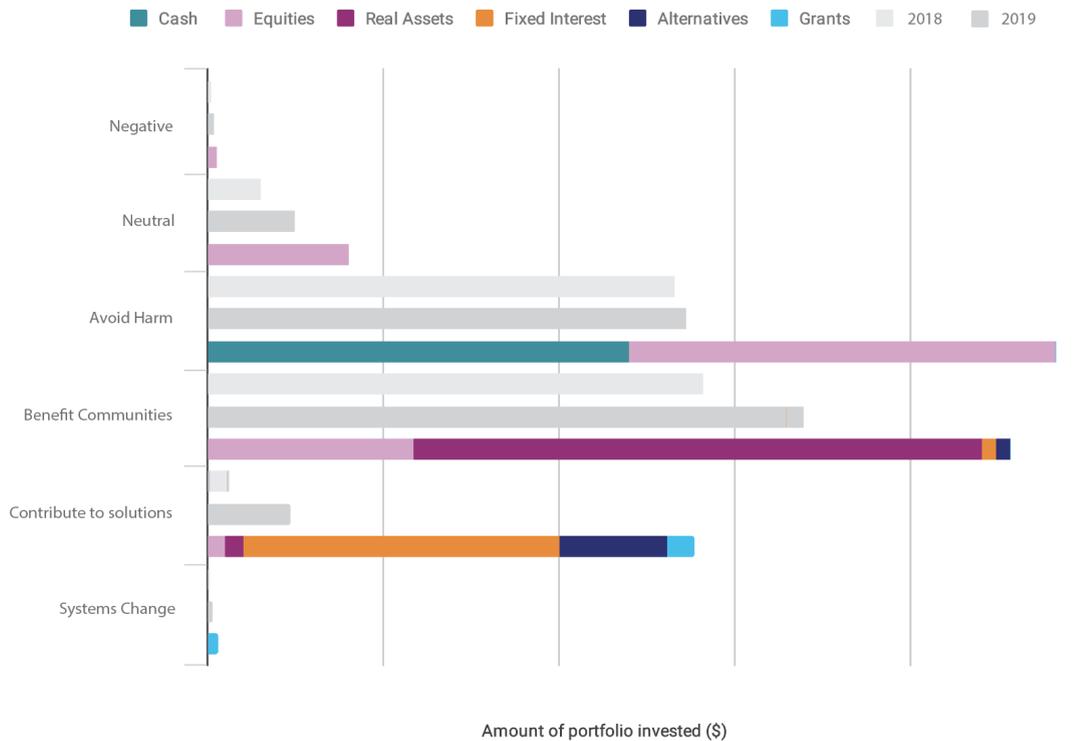
Target Financial and Impact Returns

Bubble size represents relative investment size in dollars deployed



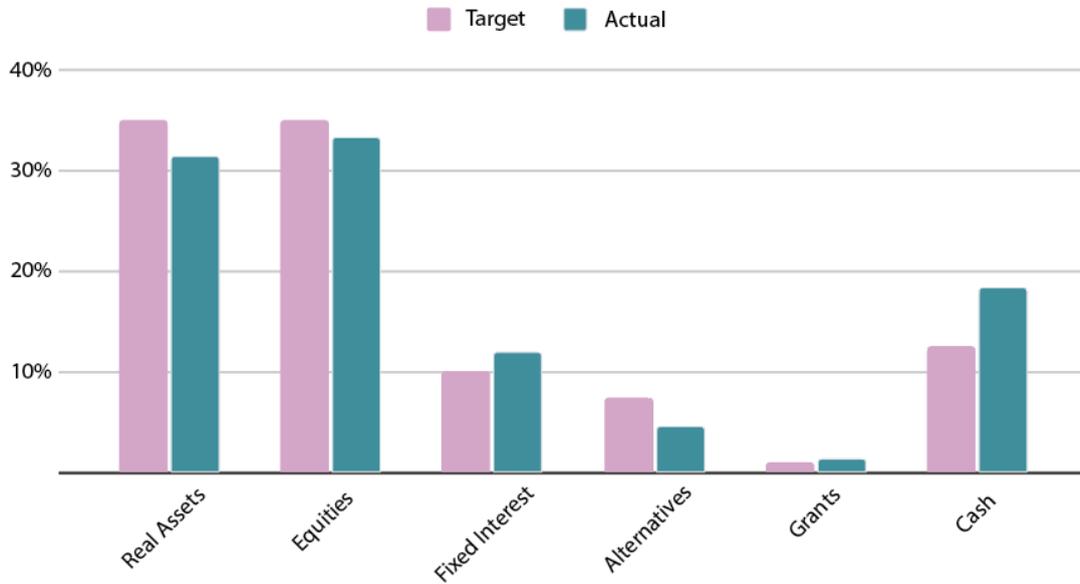
The goal is to continually move investments further right of this graph year on year. Progress as shown below.

Year on year comparison of dollars deployed by expected impact returns



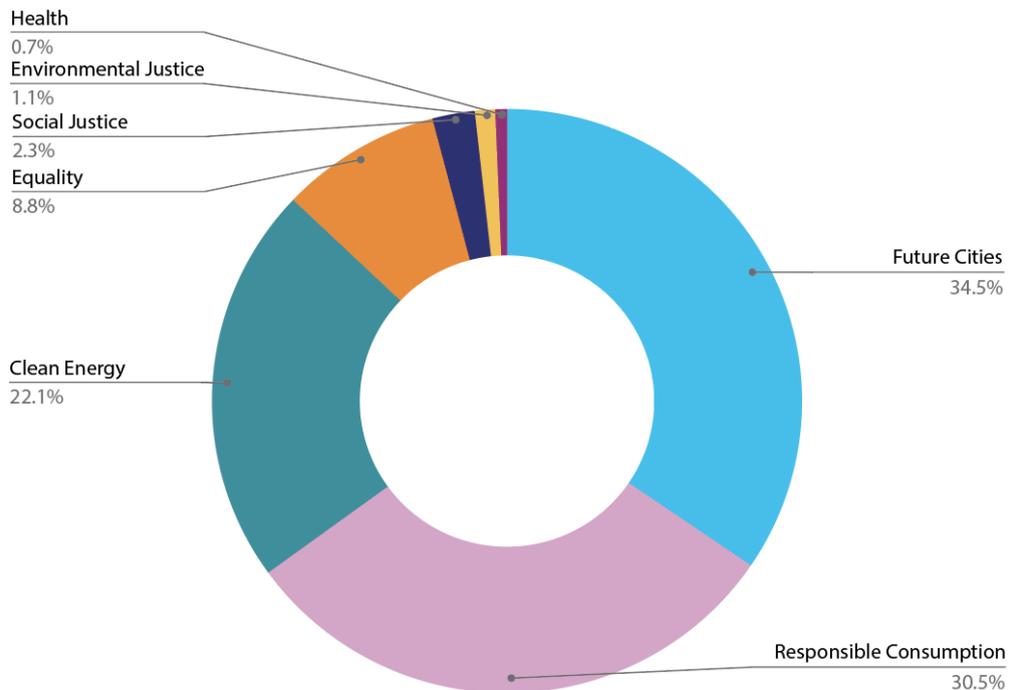
Asset Mix (TAA)

We have a long term Strategic Asset Allocation (2-5 years) as well as a short term Tactical Asset Allocation (6-12 months). This graph depicts our TAA and a higher than usual cash target due to the uncertainty of Covid.



Capital Deployed by Impact Sector

See detailed breakdown of impact sectors in Appendix A



Gender Smart Review

Results as at EOFY 19/20



*Results show % in terms of number of investments, not dollars deployed

In August 2020, we sent a gender smart survey out to all of our portfolio companies and organisations we granted to in FY19/20. Though we do assess gender balance in our investment pre-screen, we remain open to investing in all kinds of teams, including those in diversity debt, so long as they display a commitment to gender equality and a plan to do so. This annual survey is our attempt to see changes in individual companies and our portfolio as a whole over time and to hold ourselves accountable for moving the dial on diversity in our industry. Specifically, we were keen to develop a survey that looked beyond the gender binary and at how power is held and change is happening. When we couldn't find one, we created one. A copy of the survey questions can be found [here](#).

Though these early results are encouraging and bounds above industry standards, we know that the highest volume of our dollars deployed sit in some of the worst performers. There is lots of work to be done in the coming years both in deploying more into companies with better gender smarts and also in creating inclusive policies and practices for women and gender non-conforming individuals within Tripple and the broader start-up and investment ecosystems.



Advisory Board

In January 2020, we committed to setting up a paid advisory board for two reasons. Firstly, as directors, we know it's improbable that any three humans are capable of making the best decisions in the complex adaptive system that we operate in and we sought a trusted group of individuals to take a holistic look at our work to challenge us and grow with us. Secondly, we strongly believe that shifting the balance of power and decision making is key to propelling a thriving future for all. Though an advisory board alone is nowhere near enough to see this happen, we believe it is an important first step. We were lucky enough to have Amelia Telford, Kate Glazebrook, Caro Vu and Nick Moraitis join us in the second half of 2020 as we test the opportunities they present. It is already one of the best investments we've made to date.

Amelia Telford

Amelia Telford, a young Aboriginal and South Sea Islander woman from Bundjalung country is the National Director of the Seed Indigenous Youth Climate Network.

Amelia was awarded National NAIDOC Youth of the Year 2014, Bob Brown's Young Environmentalist for the Year 2015 and Australian Geographic Young Conservationist of the Year 2015 for her commitment to building a more just and sustainable future for all young people.

Caroline Vu

Caroline works at Impact Investment Group, as its Head of Strategic Initiatives.

Caroline began her career as a commercial lawyer with Sydney firm, Pigott Stinson. Caroline founded and ran the New Generation of Giving program, an Australian-first for emerging leaders in investment and philanthropy. She was a member of the inaugural Australia Vietnam Young Leaders Dialogue in 2017.

Nick Moraitis

Nick Moraitis is CEO at the Foundation for Young Australians. Nick's passion is creating a more engaged democracy and backing young people leading the way.

Prior to FYA, Nick spent eight years as Executive Director of Australian Progress, the leading capacity-builder for civil society organisations.

Kate Glazebrook

Kate Glazebrook is Chair, Co-founder, and former CEO of Applied, a platform that has redesigned the hiring process to remove bias and help teams find the best candidate for the role, regardless of their background.

Prior to founding Applied, Kate was Principal Advisor and Head of Growth and Equality at the Behavioural Insights Team, and has previously worked for UNESCO in South-East Asia, and for the Australian Treasury.

Appendix A

Impact classifications consist of:

Responsible Consumption

Ethical Supply
Circular Economy
Resource Efficiency
Sustainable Agriculture

Health

Access to healthcare
Maternal Health
Mental Health
Disease Prevention

Environmental Justice

Climate Adaptation
Carbon capture
Biodiversity
Conservation

Social Justice

Advocacy
Refugees
Homelessness
Indigenous Affairs
Media
Financial system change

Equality

Access to basic goods
Healthy Foods
Access to education
Developed world jobs
Animal Welfare
Products for Women
Equality

Clean Energy

Access to clean energy
Transition from Fossil fuels
Energy Efficiency

Future Cities

Food Security
Food Waste
Digital Infrastructure
Sustainable Infrastructure
Affordable Housing
Green Building
Connected Communities
Innovation & Creativity
Clean Water
Sanitation
Water Infrastructure