

AROWANA®

Arowana's Impact Report Calendar Year 2022

Contents

Impact Report	3
Our Purpose	4
Our Core Values	5
Chief Impact Officer’s Message	6
Our achievements to date	7
Our Commitment to being a Force for Good	9
Arowana’s Impact and the SDGs	18

Arowana's Impact Report 2022



We are pleased to publish our 2022 Impact Report and share the progress we have made within our company and operating companies over the past year.

Arowana first became a Certified B Corporation™ (B Corp) in 2018. In August 2022, we successfully recertified as a B Corp. Significantly, not only did we recertify, but we improved our B Impact Score from 84.2 to 138.8. That ranks us as amongst the highest of all B Corps globally!

As a proud B Corp, every day we strive to do better with a triple bottom line mindset, to positively impact the environment, economies, and people around the globe using business as a force for good. We have a long-term commitment to building and growing strong, sustainable businesses that will have a positive impact on the planet, economies, industries, and the people they employ.

We focus on businesses that serve a real purpose within their industries and in society but need our support to be transformed and manoeuvred into sustained growth.

Our purpose is to grow people, grow companies and grow value. Our mantra is that for our companies to grow, our people must grow. Lifelong learning is our responsibility, for this reason, we invest heavily in learning and development for our people through our in-house education arm, ArowanaU and encourage our people to develop cross functional capabilities and skills.

We remain as stewards to restore and create value for all stakeholders. As a Certified B Corporation, we understand that the work we do benefits more than the bottom line and we always consider the impact of our actions. In this regard, we are continuously learning to find better ways to improve our impact.



What we do

Grow
Companies



How we do it

Grow People



Why we do it

Grow Value

Our Purpose

We aim to grow sustainable businesses that have a positive impact on economies, industries and the people they employ. In doing so, we have the B Corp triple bottom line in mind: People, Planet, and Profit

At Arowana, we value humility, solidarity, and tenacity as our core values



These values guide our approach to how we invest, how we operate and how we recruit talent

Chief Impact Officer's Message



I am proud to share Arowana's inaugural Annual Impact Report for the 2022 calendar year.

My aim is that the information provided will help us build alignment and support from our present and future stakeholders to help us grow sustainably and to achieve our triple bottom-line commitment.

Reflecting on our journey since 2017, the B Impact assessment has provided us with a holistic framework that encompasses all aspects of our business operations. Measuring our company's performance across five stakeholder-focused impact areas of Governance, Workers, Community, Environment, and Customers. In the first instance, the process allowed us to review what we did well and what we did not, enabling us to address the gaps. Importantly, our mindset from the very start was about learning better ways to operate, rather than completing a compliance checklist.

As part of the process, one of the key changes we made was to embed our mission-aligned governance into our Company Constitution as well as our operating companies, VivoPower and EdventureCo, to preserve our mission and commit our companies to a higher standard of accountability for all stakeholders.

I am also encouraged by the growth in the number of B Corps globally, with well over 6,000 now. Becoming a certified B Corp is a serious on-going commitment, and not a pledge that you can simply sign up. Attaining certification is a change management process that requires stakeholder management as well as buy in – cultural alignment takes time, and we have certainly seen a positive shift and the benefits since our initial B Corp certification in 2018.

We are cognisant that building sustainable companies requires a long-term horizon, one that deviates from the traditional short-term mindset of financial markets. As we strive to break away from the traditional norms of our post-industrial era, we will be continually faced with challenges, hence why we remind the team time and time again that growth and comfort do not coexist. However, working together as a community, we will support one another to grow sustainably, for the benefit of the people and our planet.

I am grateful to the team at Arowana as well as VivoPower and EdventureCo for their Humility, Solidarity, and Tenacity.

Sincerely

Benn Lim, Chief Impact Officer

Our Achievements in CY2022



It has been a productive year for Arowana as we moved forward on several initiatives in the year ended 30 June 2022. These included:

Environment

Greenhouse gas emissions (GHG) tracking

Since measuring Arowana's greenhouse gas (GhG) emissions baseline for Financial Year 2020 (FY2020) with Edge Environmental, we have now implemented Pathzero's SaaS solution to measure GhG emissions across Arowana, EdventureCo, and VivoPower.

We have seen a significant reduction in our GhG emissions since FY2020, largely contributed by a reduction in business travel aided by the pandemic lockdowns. We are cognisant that some travel requirements will be required, however, virtual meetings have become the norm, increasing productivity whilst keeping our carbon footprint down.

Making the switch

This year, for the offices that we control the energy bills, we made the easy decision to 'go green' and opted in for 100% green energy. Where we do not have control, we have lobbied with the building management to go green for the building's energy supply.

Updated policies

We have updated our Corporate Travel Policy to reflect a strong preference for virtual meetings to reduce physical travel. We also encourage working from home for our team to eliminate the personal emissions generated by commuting to the office.

Lighting

We have installed sensors and timer switches in office bathrooms and changed office fluorescent lights to LED for improved energy consumption.

Ethical default superannuation company

For Australian employees, we have nominated Australian Ethical Investments, a Certified B Corporation as our default superannuation fund.

B Corp Advocacy

VivoPower

During the FY21/22, Arowana worked alongside VivoPower on its B Corp recertification assessment. VivoPower was recertified in December 2021, and then in 2022, was awarded "Best for the World in Governance" by B Lab UK.

EdventureCo

In addition, Arowana has also supported EdventureCo through its initial B Corp certification process. EdventureCo successfully certified as a B Corp in August 2022.

In-house B Corp consultant

To continue developing our team and to help grow sustainable companies, we now have invested in our own B Corp consultant to help guide our companies through the B Impact assessment as well as to work alongside our operating companies on improving their impact performance.

Governance

B Corp committee

To drive accountability and continuous improvement in our processes and systems, we have established a B Corp committee consisting of business leaders from our operating companies who lead the discussion, review, and development of impact initiatives to further improve their respective businesses.

Training

Over the past year, we have conducted presentations to build the awareness amongst the team in relations to the importance of the five key impact areas that are assessed under the B Impact Assessment of Governance, Workers, Community, Environment, and Customers. In addition, we have conducted training on the importance of assessing climate risk and how to price this into a company's valuation.

Our Achievements in CY22 (cont'd)

Lifelong Learning

45th Circle of Leadership (COL)

Every quarter for the last 11 years, Arowana along with our operating companies come together as a group. In December 2022, we held our 45th COL. At these quarterly COLs, we invite guest speakers from different fields to share their insights and perspectives covering practical examples of entrepreneurship, global macroeconomic trends, and talks that cover financial, operational, and technological literacy.

Specific career aligned training

We actively encourage career specific training for each of the team. Participation in this training occurs during work hours and any financial outlay, is either entirely or partially covered by us. These training opportunities enhance and support our teams' career progression and competence in their field of expertise.

Employees

Well-being

Through our Arowana Wellness Hub, all employees have access to employee assistance programs, a neuroscience-based meditation app and other online resources. Rather than presenteeism at the office, our mindset is about getting the job done with no negative impact on our colleagues. Post-Covid, we have embraced a hybrid work setup where employees can choose to work from home or the office depending on where they see fit to be most productive.

Updated policies

We have updated our Leave Policy to offer primary carers who are eligible for unpaid parental leave as well as government funded leave, the difference between the government funded parental leave pay and their normal rate of pay for the first 12 weeks of their parental leave. Primary carers who are not eligible to receive the government funded leave (due to their annual income being higher than the threshold) will receive full pay for the first 12 weeks of parental leave.



Our Commitment to be a Force for Good

In 2022, Arowana reached a new milestone after receiving a verified score of 138.8 in [our B Corp recertification](#). This is a significant increase from the 84.2 that the company received in our first certification in 2018. Our upgraded score places us as one of the highest ranked B Corporations in the world.

Arowana is proud to be a Certified B Corporation, having been a member of the international movement since 2018. We share in B Lab's vision of transforming the global economy to benefit all people, communities, and the planet. We are committed to using the power of business to create a positive impact on the world. In addition, we are also signatories to the UN Global Compact and the UN Principles of Responsible Investing.

Our Journey to B Corp Certification

To attain B Corp status, Arowana and its operating companies underwent a rigorous and detailed due diligence review of five key impact areas over a period of 15 months which included Governance, Workers, Community, Environment and Customers.

In May 2018, we achieved our initial B Corp certification after successfully completing the diligence and assessment process set by B Lab. At the same time, Arowana worked alongside VivoPower International our sustainable energy solutions company to gain B Corp certification as well.

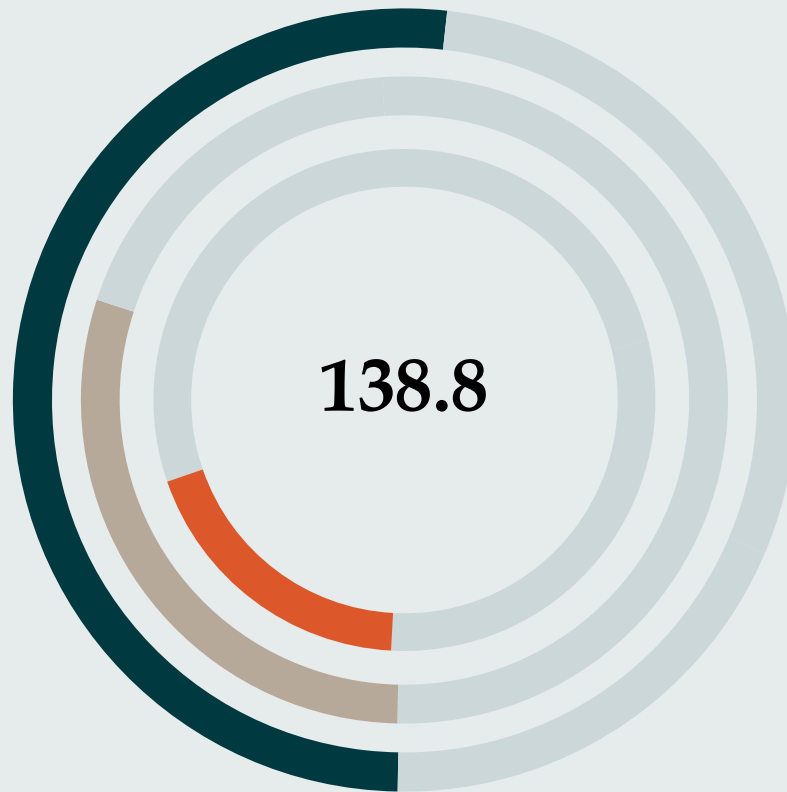
Every three years, B Corps require to recertify and since achieving B Corp status, Arowana has been working to continuously improve on our B Impact areas to deliver on the B Corp triple bottom line of People, Profit, and Planet.

This also aligns strongly with our purpose of growing people, growing companies, and growing value as well as our long-term commitment to building strong, sustainable businesses that will have a positive impact on economies, industries, and the people they employ.

Whilst we are proud of the improvements that we have made thus far, we are cognisant that we have still have much work to do to ensure we continuously improve our business practices as we learn and discover.






Based on the B Impact assessment, Arowana earned an overall score of 138.8. The median score for ordinary businesses who complete the assessment is currently 50.9



2022 B Impact Score Breakdown

Governance	22.6
Workers	31.4
Community	21.5
Environment	12.8
Customers	50.3

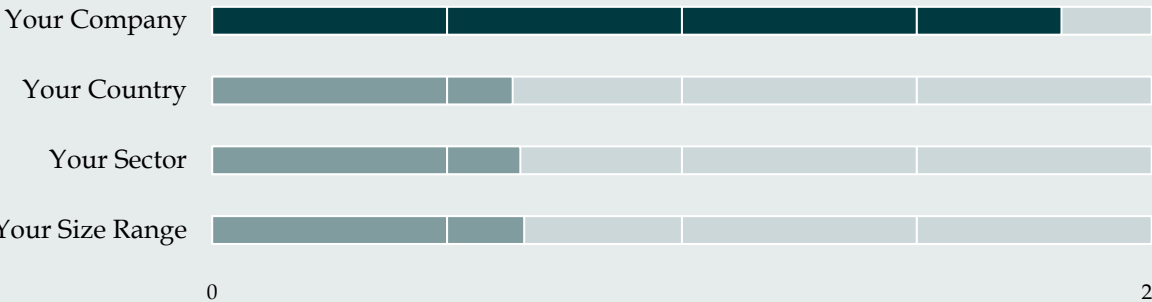
 138.8 Overall B Impact Score
  80 Qualifies for B Corp
  50.9 Median Score of Ordinary Businesses

Breakdown of Arowana's B Impact Areas



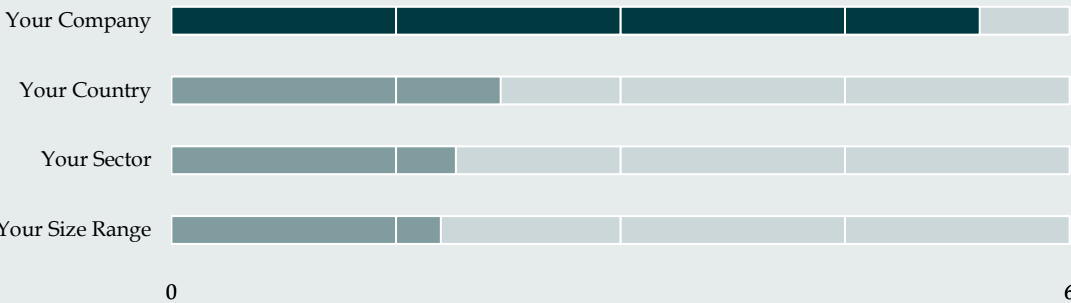
Governance

QUESTIONS ANSWERED | 27/27 OVERALL SCORE | 22.6



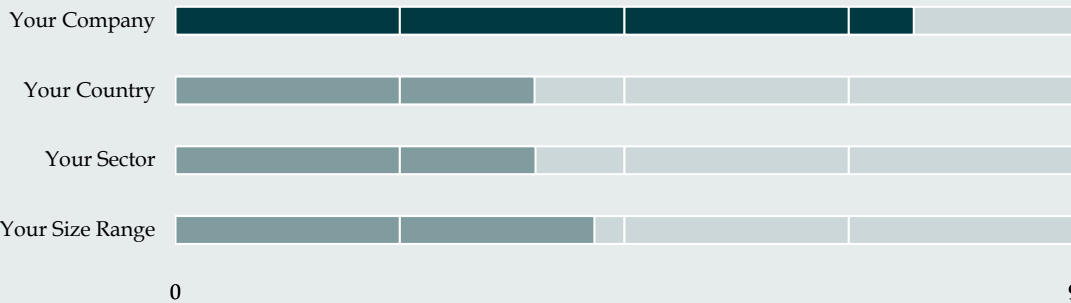
Mission & Engagement

Score
5.1/6



Ethics & Transparency

Score
7.4/9



Mission Locked – Impact Business Model

Score
10.0/10



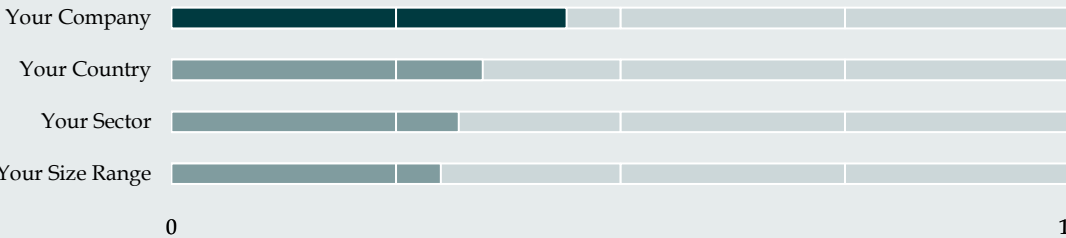
Breakdown of Arowana's B Impact Areas



Community

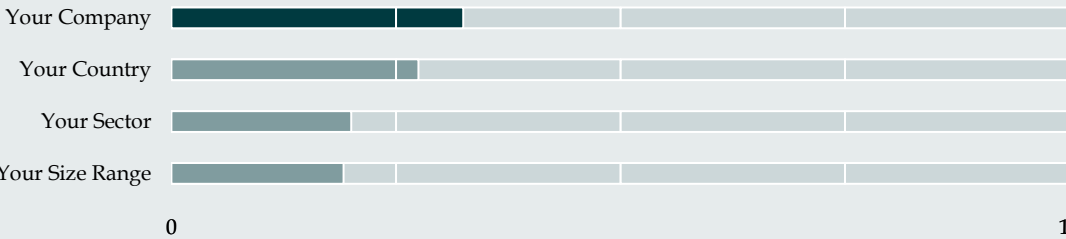
Diversity, Equity & Inclusion

Score
6.6/15

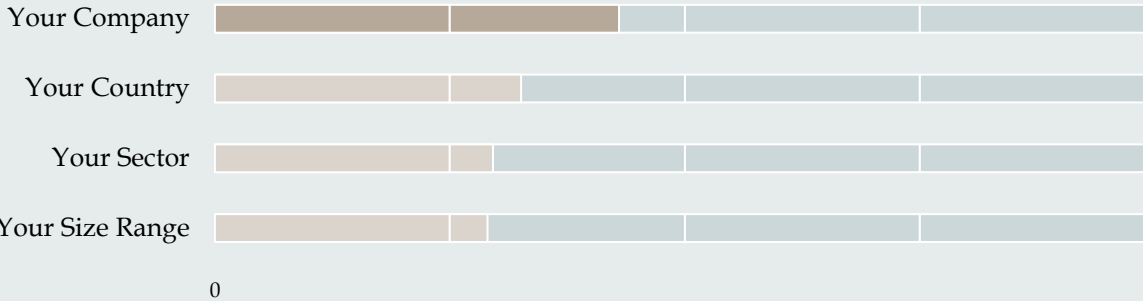


Civic Engagement & Giving

Score
3.9/12

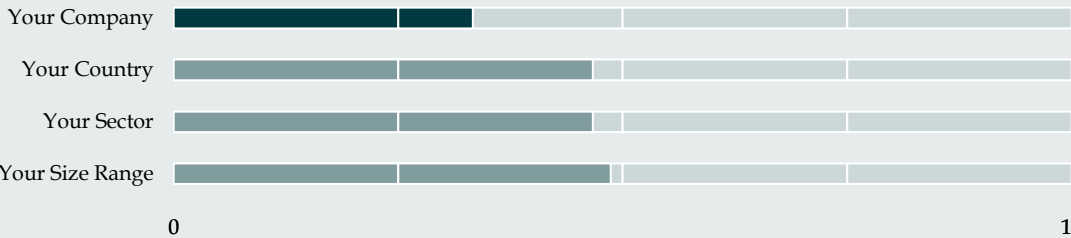


QUESTIONS ANSWERED | 39/39 OVERALL SCORE | 21.5



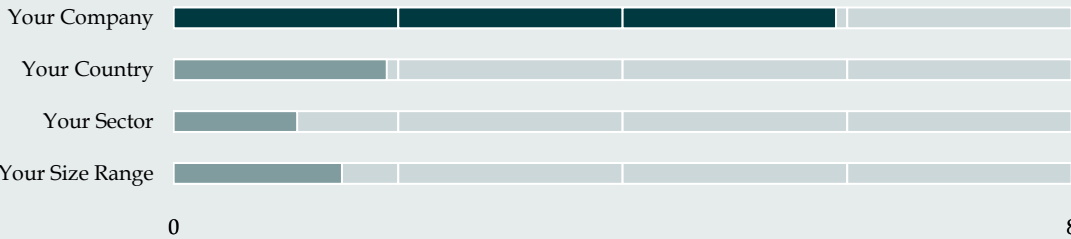
Economic Impact

Score
5.0/15



Supply Chain Management

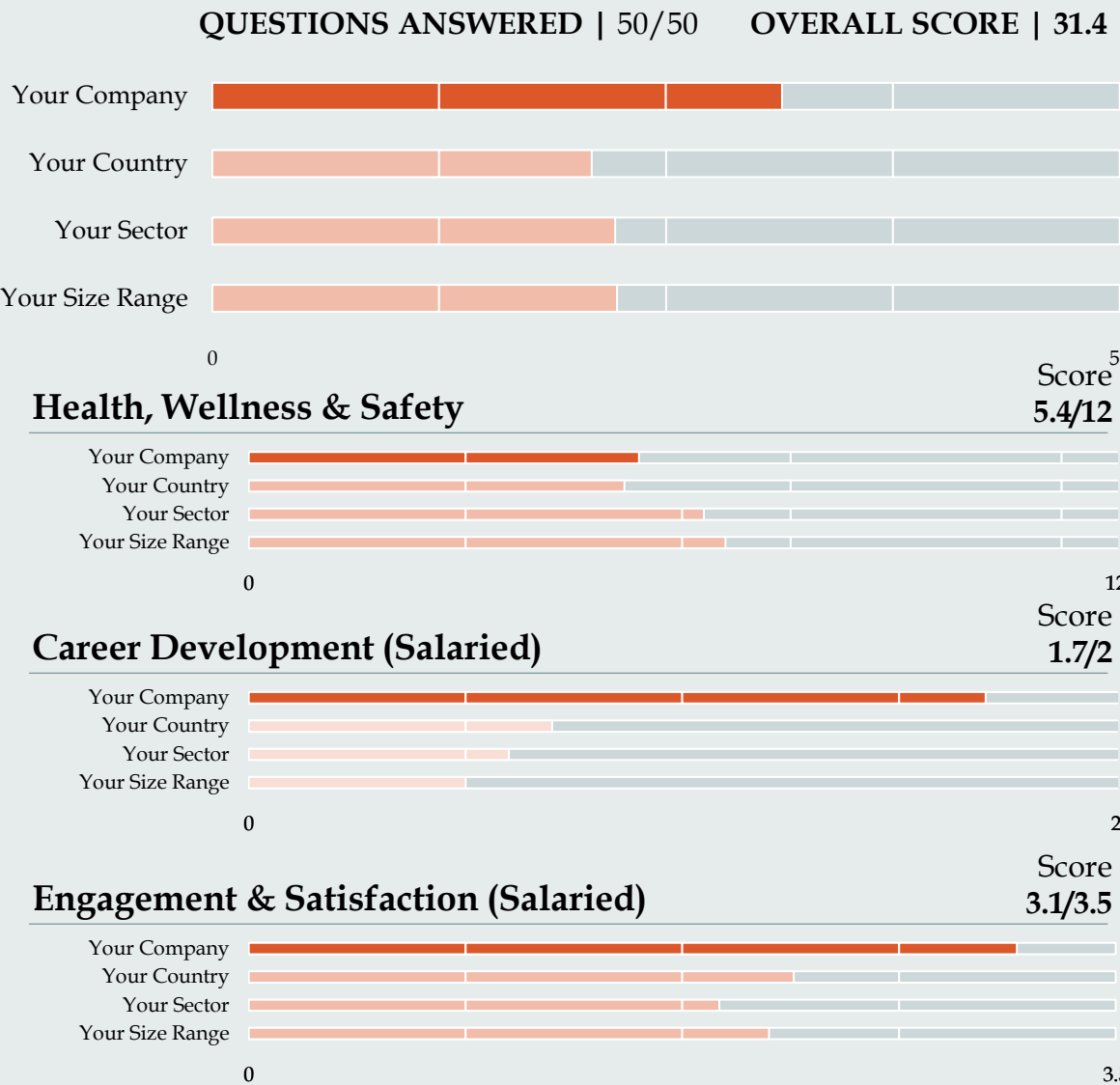
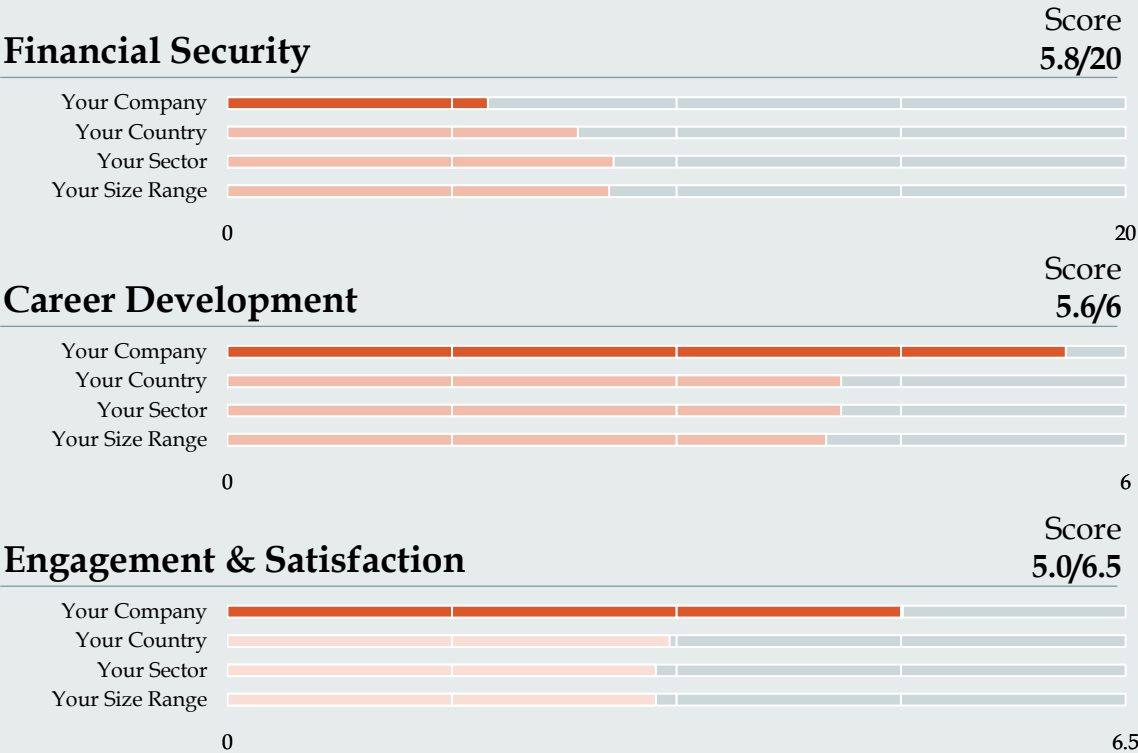
Score
5.9/8



Breakdown of Arowana's B Impact Areas



Workers



Breakdown of Arowana's B Impact Areas (cont'd)

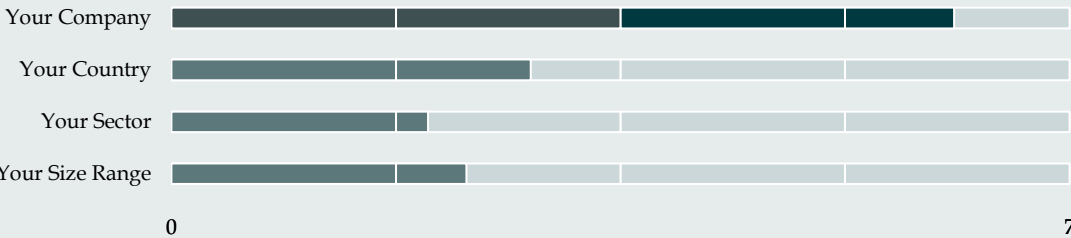


QUESTIONS ANSWERED | 33/33 OVERALL SCORE | 12.8

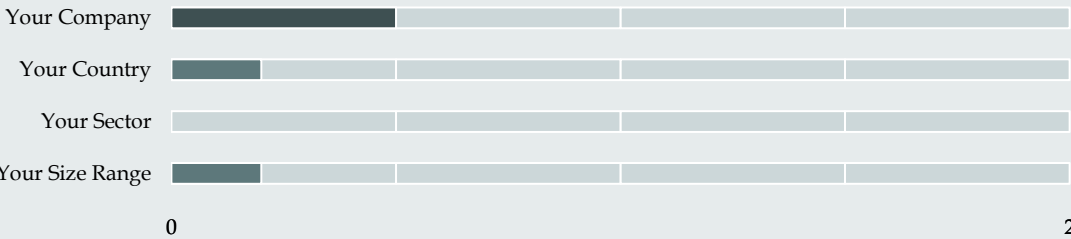


Environment

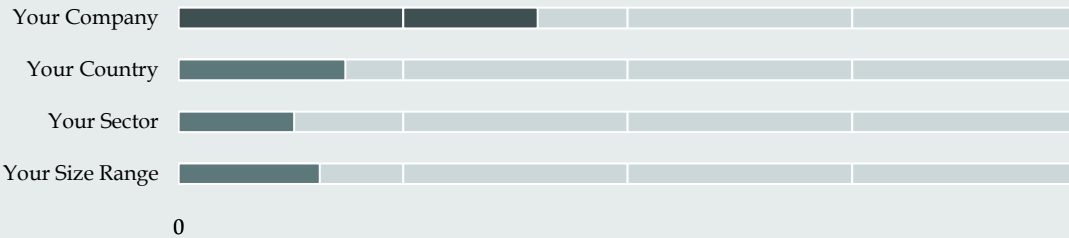
Environmental Management Score 6.1/7



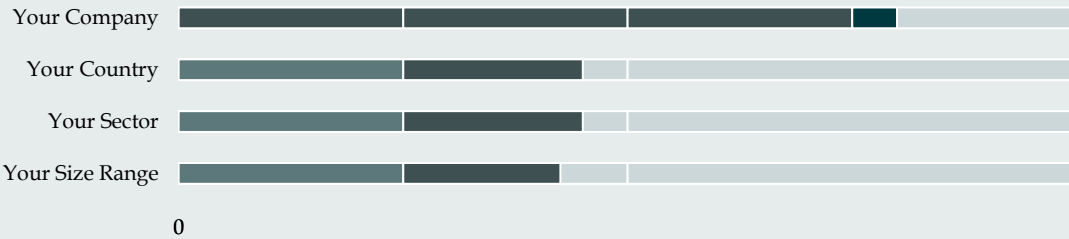
Water Score 0.5/2



Air & Climate Score 2.8/7



Land & Life Score 3.2/4

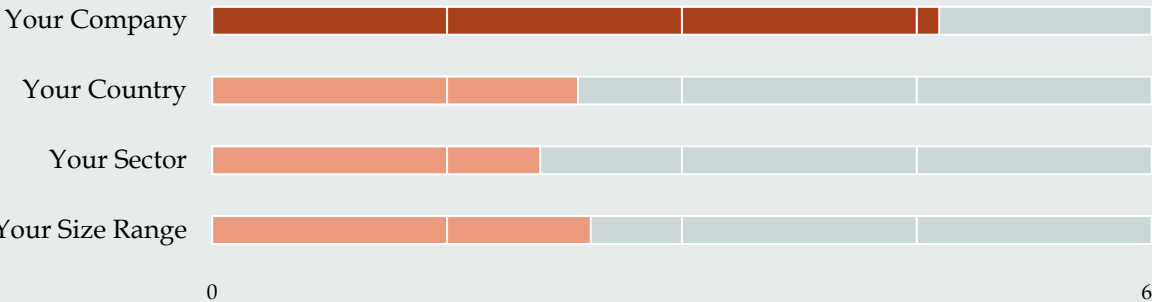


Breakdown of Arowana's B Impact Areas (cont'd)



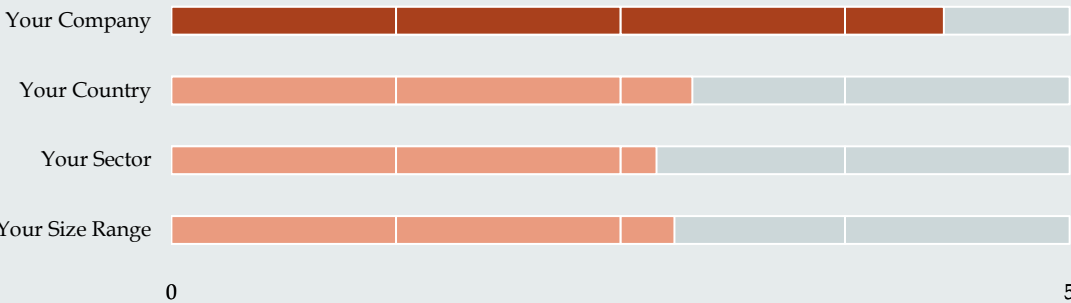
Customers

QUESTIONS ANSWERED | 37/37 OVERALL SCORE | 50.3



Customer Stewardship

Score
4.3/5



Investment Criteria | Impact Business Model

Score
14.5/21



Portfolio Management | Impact Business Model

Score
4.3/6



Targeted for Investment | Impact Business Model

Score
18.6/21



Leadership & Outreach | Impact Business Model

Score
6.0/6



Portfolio Reporting | Impact Business Model

Score
2.5/6

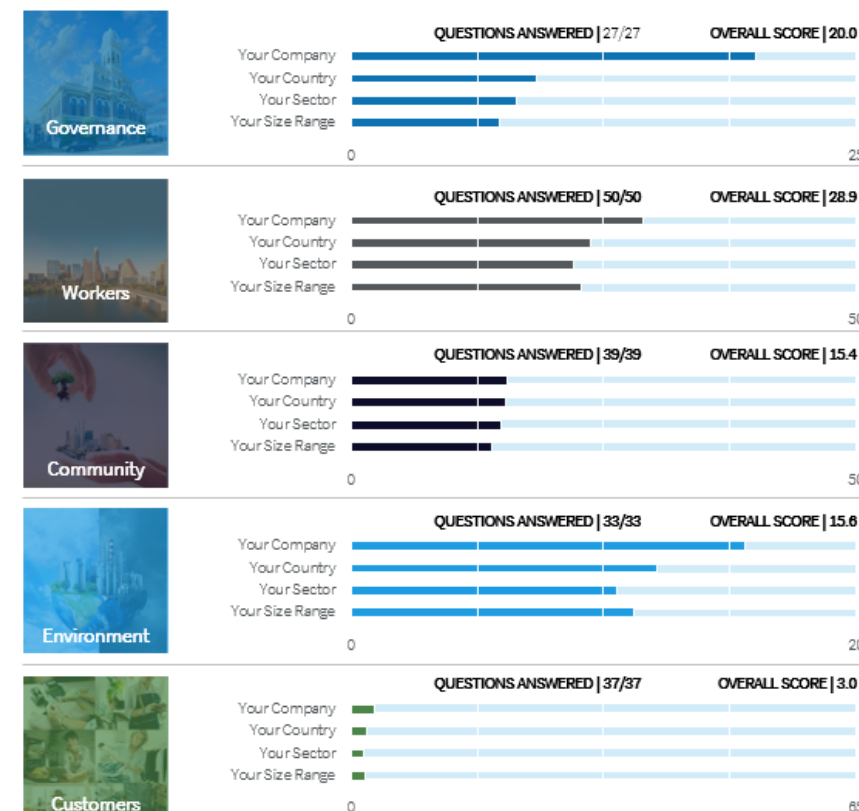
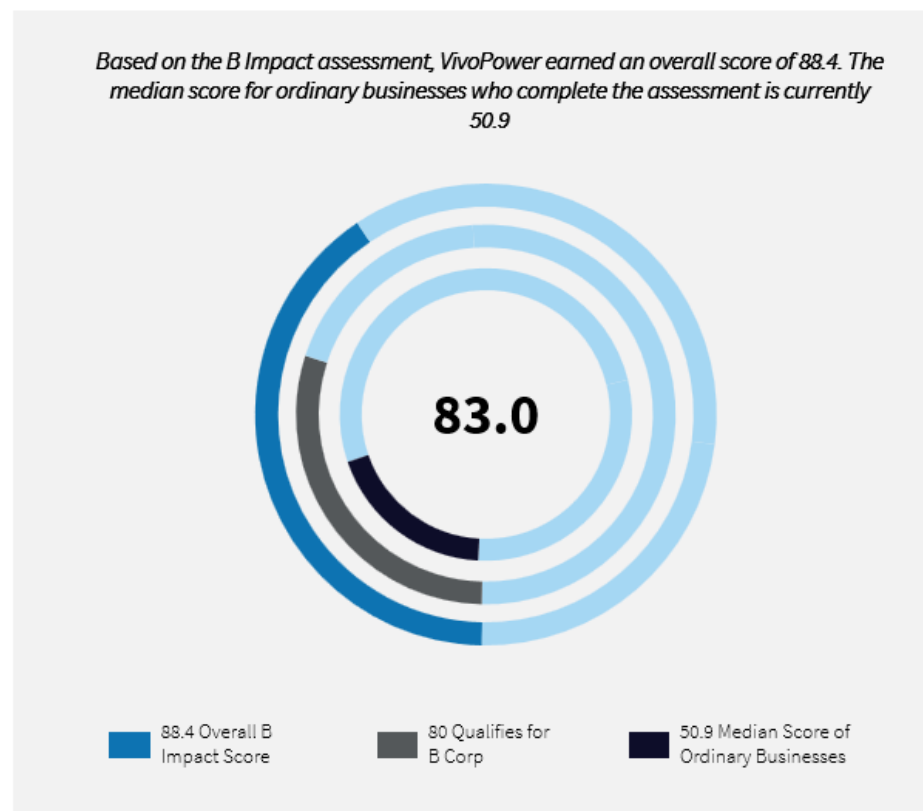


VivoPower International's B Impact Score



Founded by Arowana in August 2014, VivoPower International PLC is a NASDAQ-listed sustainable energy solutions company. This encompasses battery technology, electric vehicles, solar and critical power services. VivoPower has operations in the United Kingdom, Australia, the Netherlands, the United States, and Canada.

VivoPower initially certified as a B Corporation in April 2018. Throughout 2021, Arowana worked with VivoPower supporting them through their B Corp recertification process. VivoPower successfully recertified and was recognised as Best for the World in Governance by B Lab UK in 2022.

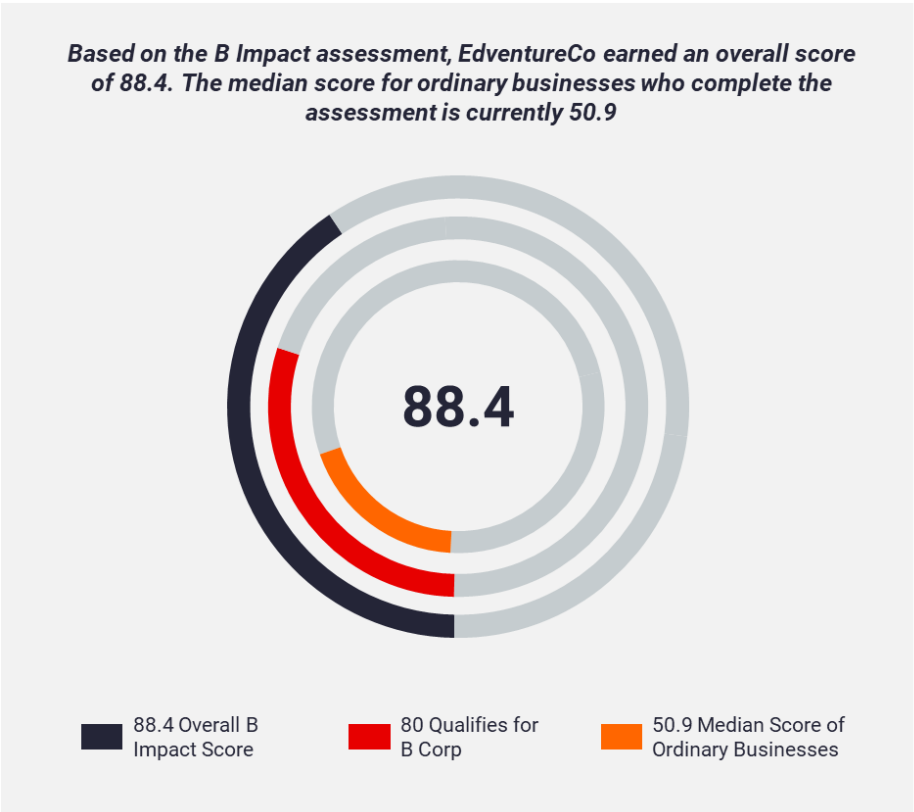


EdventureCo's B Impact Score



In August 2022, Arowana's wholly owned subsidiary, EdventureCo successfully certified as a B Corporation for the first time.

EdventureCo is a leading vocational and professional education and training provider in the Asia-Pacific. In a world facing increasing disruption, EdventureCo provides skills and lifelong learning opportunities that prepare the workforce of today for success tomorrow. EdventureCo is a premium provider of digital, soft, and future skills training that develops lifelong learners for the roles of the future by delivering unique learning experiences to meet the needs of students at each stage of their career journey.



Arowana's Impact and the Sustainable Development Goals (SDG)s



To promote mental health and well-being amongst our team, all employees were provided free access to SparkUp, our in-house well-being app based on neuroscience and developed under the strict guidance of Dr. Tara Swart. In addition, a global employee assistance program was also provided.

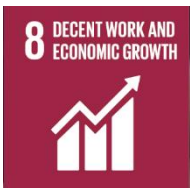
Arowana values its employees by providing positive opportunities for family commitments. Our parental leave policy provides primary carers with paid leave for the first 12 weeks after a new-born or adopted child. To help new mums returning to work, we offer flexible and working from home arrangements. In addition, Arowana is supportive of employees who wish to breastfeed or express milk in the workplace as we recognise that breastfeeding has many benefits for new mothers and their children.



Arowana's wholly owned subsidiary EdventureCo is a leading vocational and professional education and training provider in the Asia-Pacific. A significant majority of its business is providing information and communications technology (ICT) training to upskill and reskill students via the Lumify Group (previously named DDLS) with campuses in Australia, New Zealand, and the Philippines. EdventureCo became a certified B Corp in August 2022.



Arowana holds a 47.5% stake in VivoPower International, a sustainable energy solutions provider encompassing battery technology, electric vehicles (EV), solar, and critical power services. In Nov 2022, VivoPower announced that its wholly owned subsidiary, Tembo e-LV has entered into an agreement to sell 4,000 electric vehicle conversion kits to the Republic of Kenya to convert second-hand Toyota Hilux and Land Cruisers into electric vehicles. This agreement increased total commitments and orders of Tembo EV kits to over 10,000 kits.



Automation will displace millions of Business Process Outsourcing (BPO) employees in developing nations. In the Philippines, where the median age is approximately 26 years old and families currently live on an average of approximately US\$3.67 per day, the BPO industry is one of the country's two primary exports, contributing an estimated US\$27 billion and employing more than 1.3 million people. This disruption will hurt their economy if the BPO sector does not upskill and reskill.

EdventureCo has taken its ICT training business, Lumify into the Philippines to reskill and upskill students to improve employability and shift the composition of their GDP towards the IT industry.

Arowana's Impact and the SDGs (cont'd)



The strategy for the acquisition of Tembo e-LV was to provide ruggedised electric vehicles to traditionally hard to decarbonise sectors like mining. Diesel is an important energy source for mine sites to power electricity and vehicles, which are typically located in remote areas where the cost of diesel can be 2 to 3 times higher than in cities.

Tembo enables the mining sector to convert their light vehicle fleets to EVs and to install solar power generation combined with battery storage to reduce their requirement for diesel. This strategy will help the mining industry reduce their carbon footprint whilst ensuring underground miners are not exposed to toxic diesel emissions at work.



Green Antz, an Arowana Impact Capital investment is an eco-friendly construction materials company in the Philippines. Green Antz converts plastic waste into value-added construction materials such as bricks and pavers using a shared-value approach.

By 2025, Green Antz aim to recycle approximately 25 kilo-tonnes of plastic annually to alleviate the plastic waste problem in the Philippines. The introduction of the Extended Producer Responsibility (EPR) Act in 2022 will require large enterprises to engage with a Product Recovery Organisation (PRO) such as Green Antz to help implement an EPR program.



Arowana started tracking its Greenhouse gas baseline in 2020 and has now implemented a cloud based GhG accounting platform called Pathzero. In addition, we have implemented Pathzero into EdventureCo and VivoPower and have provided training and guides to help the roll out process. Arowana has minimal Scope 1 & 2 emissions and have begun auditing our supply chain to understand what actions are being taken by our suppliers to reduce their GhG emissions in order for us to reduce our Scope 3 emissions. Our next step is to set reduction targets particularly on our Scope 3 emissions and to communicate this with our suppliers.



Arowana launched Arowana Impact Capital (AIC) in late 2019 to focus on impact investing in Southeast Asia. Its core purpose is to help build people, build companies, and build value through sustainable investment practices across the ASEAN region.

AIC's objective is focussed on four key pillars; a) Sustainable Urbanisation; b) Livelihood Creation; c) Education; and d) Financial Inclusion.

AROWANA

We are Arowana®

We grow people, companies, and value.