

IMPACT POLICY

1. Purpose

EMIA's Impact Policy ("the Policy") outlines EMIA's commitment to driving Impact through the selection and management of the investments that it makes, as well as the measurement and communication of its performance against its Impact objectives. This Policy extends to the investment activities under the ASEAN Frontier Markets Fund ("AFMF" or the "Fund") and potentially future funds of EMIA. The intention of this Policy is to support the EMIA team in protecting value and creating Impact through its investment activities. This includes the adoption of relevant Impact standards and frameworks to support the maximisation of Impact, as well as the implementation of systems to effectively manage Impact performance.

This Policy should be interpreted alongside the broader Impact-related tools and processes for EMIA incorporated within the AFMF Environmental, Social and Governance (ESG) Management System, which together with the Gender Policy and Climate Policy (separate documents), is the mechanism through which ESG risks are identified, mitigated and managed. It should also be read in conjunction with the EMIA AFMF Sustainability Approach and AFMF Investment Strategy.

2. Commitments

To ensure that Impact management forms an integral part of the investment process and decision making within the Fund, EMIA commits to:

- Embedding Impact considerations as a core component of the Fund's investment processes and decision making through the implementation of Impact-related tools and processes within the broader Fund investment strategy and mandate. This includes evaluating the potential Impact or opportunities for improvement in line with EMIA's Impact objectives of an investment alongside evaluating commercial viability and estimated financial return at the outset of the investment process, as well as prioritising sustained positive Impact at the exit stage.
- Assigning sufficient organisational capacity, capabilities, and competencies to Impact across the organisation to support the implementation of the Impact Policy and the Impact-related tools and processes.
- Continuing to foster a strong and transparent Impact-focused culture amongst relevant Fund stakeholders, driven by executive buy-in, accountability, formal and informal engagement and reporting on Impact practices and performance.
- Fostering ongoing engagement with the management of portfolio companies on material issues relating to Impact.
- Gathering appropriate data and information related to Impact performance from portfolio companies, consolidating and managing this at Fund level as well as at individual investee level.
- Driving continual improvements and progress relating to Impact at both Fund and investment level, through on-going monitoring, evaluation and reporting on progress against set Impact objectives, as well as through identification and management of risks and negative Impacts associated with a specific investment.
- Providing regular and transparent disclosures on the Fund's Impact efforts, activities, and progress to relevant stakeholders.
- Contributing to industry good practice and thought leadership around Impact, including remaining abreast of emerging trends in the field and possible implications for the Fund's Impact approach.
- Periodically reviewing the Fund's Impact Policy and associated Impact-related tools and processes to ensure relevance, adequacy, applicability, and alignment with Impact best practice.

3. Policy Review

EMIA will review, document, and improve decisions and processes based on the achievement of Impact and lessons learned. This will be done through updates to internal documents and communication/ engagement with portfolio companies and external stakeholders:

- Periodic updates to this Impact policy and Management System based on lessons learned;
- Communication with portfolio companies through any ongoing engagement mechanisms with them; and
- Annual E&S and Impact Performance Reports for communication with external stakeholders.

In line with developments and evolving good practice in relation to Impact, as well as organisational advancements and changes, including reviewing progress against Impact objectives to identify areas where these should be adjusted or updated, the Impact Policy will be reviewed and updated by a decision of the Board, as appropriate.