



# IMPACT INVESTMENT POLICY

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## 1.0 INTRODUCTION

Vivobarefoot is a purpose driven company founded on the principle that the health of people is intimately connected to the health of the planet and the closer people are to nature, the more they will do in their everyday lives to protect it.

The Livebarefoot Fund is our consolidated programme of impact investment programmes related to innovation on natural health, biodiversity, indigenous regeneration and barefoot biomechanics topics.

In this context, impacting investing refers to all funds invested by Vivobarefoot with the intention to generate a measurable, beneficial social or environmental impact alongside a financial return.

It covers both direct (commercial institutions) and in-direct (charitable) investments.

In certain situations, Vivobarefoot may choose to invest in organisations or projects to address environmental and social issues without requiring a financial return.

## 2.0 PURPOSE

This impact investment policy (the 'Policy') sets out Vivobarefoot's position on our guiding principles for impact investment and operational processes to manage them.

## 3.0 SCOPE

This Policy covers social loans, any charitable and sponsorship contributions, all donations, sponsorships, company volunteer activities, and in-kind services.

It underpins the way in which the Livebarefoot Fund functions and works with third parties.

The guiding principles included in this Policy are still applicable to impact investment in Vivobarefoot that may exist outside of the Livebarefoot Fund.

In the context of this Policy, third-party refers to any individual or organisation that Vivobarefoot meets and works with, including but not limited to partners, contractors, distributors agents and customers.

## 4.0 PRINCIPLES

### 4.1 FUNDING

The purpose of the Livebarefoot Fund is to fund projects focused on regeneration:

1. Increasing social capital
  - Worker wellbeing throughout the Vivobarefoot manufacturing hubs;
  - Biomechanics research and dissemination programmes for public use;
  - Advocacy and educational work in relation to human health and wellbeing.
2. Increasing natural capital
  - Regenerative natural material and nature-based solutions to ecological issues; -
  - Waste management solutions to enhance circular systems;
  - Advocacy and educational work on rewilding nature.

3. Preserving indigenous cultures
  - Traditional shoemaking designs, skills and techniques;
  - Indigenous community improvement organisations;
  - Advocacy and educational work to protect, respect and communicate indigenous wisdom.

## **4.2 GIVING FORMAT**

Financial contributions include donations, sponsorships and social loans.

A donation is regarded as a gift for charity, humanitarian aid, or to benefit a cause.

A sponsorship is an act of supporting an event, activity, person, or organisation financially or through the provision of products or services. When the sponsorship of a non-profit or charitable event is involved, the sponsorship activity is often referred to as cause marketing.

A flexible loan is the provision of unsecured loans (from 10,000 GBP to 50,000 GBP) for impact organisations, repayable up to 6 years on up to 6% interest rate (subject to change depending on scale of the forecasted impact and the business plan).

In-kind services include shoe or other equipment donations or provisions of professional services such as shoemaking technical support, coaching, administrative support or other services.

Volunteer support includes projects for example where employees can use their volunteering time to support a charity or community group provided by Vivobarefoot or of their choice. Vivobarefoot may also match individual employee charitable donations, as decided by the Livebarefoot Fund steering committee on a case by case basis and in alignment with the Livebarefoot Fund principles

## **4.3 PROCESSES**

All contributions and charitable partners are required to comply with relevant laws, regulations, industry codes, external standards and this Policy.

Vivobarefoot and the Livebarefoot Fund do not take unsolicited requests.

Preference is given to organisations that share our mission, vision and ethics.

Regional and cultural proximity to areas in which Vivobarefoot operates is encouraged.

Any financial transactions up to 20,000 GBP are processed at the discretion of the Livebarefoot Fund steering committee.

Any financial transactions above 20,000 GBP are to be signed off by the Vivobarefoot Legal Board.

## **4.4 EXCLUSIONS**

All impact investment is made at the absolute discretion of Vivobarefoot.

We do not support causes which do not align with our mission, values and ethics.

We will not support causes which contain any unlawful or unfair discrimination.

Requests from religious organisations will not be considered.

Requests that solicit financial support for political candidates or campaigns are not considered.

## **5.0 RESPONSIBILITIES**

The Livebarefoot Fund Lead is responsible for the coordination and administration of all processes described in this Policy and is advised by an independent Advisory Council.

Individual employees may not respond to requests from (or solicit from) individuals or organisations that have not been approved by the Livebarefoot Fund.

## **6.0 TRAINING & COMMUNICATION**

Vivobarefoot's employees and third parties will be informed of this Policy.

Vivobarefoot's clients, suppliers, and other external stakeholders will receive bi-annual communication regarding our Giving aims, achievements, and challenges.

## **7.0 MONITORING & REVIEW**

The Livebarefoot Fund manages all contributions, including volunteer activities (in hours) and financial transactions throughout the year.

All impact partners must provide written reports outlined contribution impacts. The Fund monitors and evaluates progress on projects against giving and investment targets.

Vivobarefoot will evaluate the effectiveness of this Policy and the implementation of it on an ongoing basis, to ensure that it remains effective and reflects best practice.

We will regularly assess internal and external control systems and procedures and encourage feedback from employees and customers in our community on how this Policy can be improved.

## **8.0 REPORTING**

Vivobarefoot will include information on the implementation of and continuous improvement of this Policy in interim and annual business reports to ensure transparency of operational practices.