

KEENE ADVISORS

Relentless in Pursuit of Your Success.

Benefit Report

2019

Certified



Corporation

**Best for the World Honoree |
2017, 2018 and 2019**

Introduction

Keene Advisors is a socially responsible investment bank and consulting firm. Incorporated in Massachusetts in July 2015, we elected to become a benefit corporation at formation, which means that in addition to creating value for our clients and pursuing financial success, we have also committed to generate a material, positive impact on society and the environment. In August 2016, we became a Certified B Corporation. This report includes background on our company, our purpose and values, in addition to details on the public benefit we generated in 2019. We hope that you enjoy learning about Keene Advisors and our journey to become the leading socially responsible advisory firm.

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Letter From Our Founder and President

I am incredibly proud of the support Keene Advisors provided to our many amazing clients in North America, Europe and the Middle East during 2019, including many ongoing and repeat clients who continue to rely on Keene Advisors on a range of mergers and acquisitions, capital raising, turnaround and strategic insights. Our team was relentless in pursuit of clients' success in 2019 and our clients helped us achieve the best results in our Company history. Without the support of our amazing clients none of our financial success, or progress on our public benefit, would be possible.

In 2019, we made tremendous progress on our public benefit goals by:

- Strengthening and diversifying our business, expanding our services offering, growing our revenue by 50%
- Demonstrating our strong client value proposition by generating over 45% of our revenue from repeat clients
- Continuing to support other social enterprises and impact-focused investors on capital raising and mergers & acquisitions transactions
- Being named a *Best for the World* 2019 honoree for the 3rd year in a row by the non-profit B Lab
- Publishing a comprehensive list of leading investors in the impact sector for our 1,000+ impact investor and social enterprise subscribers to *The Impact Journal*
- Offsetting over 4,000 lbs of CO₂ in partnership with fellow B Corp, TripZero
- Continuing to be a strong advocate for the benefit corporation movement among clients, academic partners and the general public

I am extremely proud of our team's accomplishments in 2019 and am excited about the challenges and opportunities that lie ahead.

Travis Borden
Founder & President



Our Vision

Through our efforts, we hope to positively impact the lives of millions of people.

Our vision is to:

-  **Be the leading socially responsible advisory firm, providing honest advice, exceptional service, and outstanding value to our clients**
-  **Build a sustainable business that employs happy, healthy, and fulfilled employee partners**
-  **Donate over \$50 million per year to charitable organizations that are having a positive lasting impact on the world**
-  **Make important contributions in our local communities**
-  **Have a positive impact on the environment**
-  **Be a role model for other businesses**

*"The way to get started is to quit talking and begin doing."
- Walt Disney*

Our Purpose and Core Values

Our purpose and core values guide all of our decision-making and are the foundation for our client, partner and other stakeholder relationships.

Our Purpose = to help our clients achieve long-term success, and to leverage the power of our business to have a positive, lasting impact on the world.

Our Core Values = Honesty, Integrity, Transparency, and Compassion

Honesty is the foundation for everything we do. We value unwavering personal courage and intellectual honesty. We value doing the right thing even when it is not in our own self-interest, is not convenient, or is contrary to conventional thinking.

Integrity is an expression of our unity. We believe that we succeed or fail together. Our commitment to integrity reflects our resolve to work together to have a positive, lasting impact on each other and on the world.

Transparency in our processes, advice and communications ensures openness and accountability that is essential to establish trust among our stakeholders. We believe trust is necessary to build and maintain a strong and enduring reputation, culture, and brand.

Compassion enables us to empathize with all of our stakeholders – our clients, employee partners, communities, and people in need. It motivates us to challenge ourselves to work harder and be better every day. It requires us to be mindful of the impact of our actions, or inaction, on others and on the environment.

As a Benefit Corporation, we hold ourselves to a high standard of success and have imbedded our purpose and core values into our identity.



What Is A Benefit Corporation?

A benefit corporation is a type of for-profit corporate entity that includes having a positive impact on society in addition to profit as its legally defined goal.

In Massachusetts, where Keene Advisors is incorporated, benefit corporations must:

- Provide a "general public benefit", which is defined as a material, positive impact on society and the environment, taken as a whole, as measured by a third-party standard
- Consider the impact of decisions on all of a company's stakeholders (shareholders, employees, customers, the community, and the environment)
- Appoint an outside benefit director that has a number of duties, including to report on the company's public benefit each year and measure it against a third-party standard

For Keene Advisors, "general public benefit" means (1) caring for people, (2) sharing our profits, and (3) reducing our impact on the environment. We consider the impact of decisions on all stakeholders. Dr. David Scott Borden is our Benefit Director and we have chosen the non-profit B Lab as the third-party standard. B Lab was established to provide third-party certification for benefit corporations and to help pass benefit corporation legislation around the world. B Lab certification is to business what fair trade is to coffee and LEED is to green building. Today, B Lab is leading a global movement of over 3,200 Certified B Corporations in 71 countries and spanning 150 industries.

**PEOPLE USING
BUSINESS
..... AS A
FORCE FOR GOOD**

Selected Certified B Corporations



Measuring Ourselves

Our Standard For Measuring Performance

B Lab has been one of the primary architects of the benefit corporation movement around the world. In addition to promoting legislation, B Lab operates the leading third-party standard for benefit corporation certification known as the B Impact Assessment. The B Impact Assessment scores companies' social and environmental impact on a 200-point scale. In order to be certified by B Lab, a company must score an 80 or higher.

In August 2016, we completed the B Impact Assessment earning a score of 95 and B Corporation certification. As a result, Keene Advisors was named a *Best for the World* 2017 honoree by B Lab, joining other B Corporations from around the world in being recognized for our focus on being not just the best in the world but also the best for the world. In 2018 and 2019, Keene Advisors received the *Best for the World* honor in recognition of our enduring commitment to responsible business practices.

What makes us a better company?

B Impact Report

Certified since: August 2016

Summary:	Company Score	Median Score*
Environment	6	7
Workers	29	18
Customers	N/A	N/A
Community	40	17
Governance	21	6
Overall B Score	95	55

80 out of 200 is eligible for certification
 *Of all businesses that have completed the B Impact Assessment
 *Median scores will not add up to overall



We are very proud of this recognition and hope you enjoy reading about our specific efforts to generate a "general public benefit" on the following pages.

Measuring Ourselves

Assessing Our Performance Against Our Goals for 2019

In 2019, we focused on delivering outstanding advice and service to our clients while also pursuing new business opportunities and growing our overall social impact. As in previous years, we set social benefit goals for 2019. The following is a summary of our performance against the three goals we established for ourselves for 2019:

1. Grow revenue and multiply profits, which drive our giving program

- Increased revenue by **50%**
- Grew revenue per client by over **20%**
- Generated **over 45%** of revenue from existing and repeat clients

2. Make tangible efforts to support the growth of the B Corporation movement and the broader social enterprise ecosystem

- Published Impact Journal for 1,000+ impact investors and social enterprises
- Advised social enterprises on strategies to raise capital to accelerate growth (and impact)

3. Continue to decrease our environmental impact

- Offset **4,000** lbs of carbon in partnership with fellow B Corp, TripZero
- Dramatically reduced carbon footprint moving to a mostly remote workforce

4. Improve our B Impact Assessment Score during 2019 recertification

- Currently in the process of completing the recertification process

Caring For People

Caring for our Employee Partners

We strive to create an environment where our employee partners can lead happy, healthy and fulfilled lives. We value openness and acceptance and encourage diversity, innovation and compassion. Keene provides opportunities for advancement and increasing levels of responsibility for all of our employee partners. And we seek to provide industry leading benefits for all of our employee partners, including:

- Profit sharing participation
- Attractive health and dental plans with generous premium coverage
- 401(k) plan access with an attractive employer matching feature
- Paid vacation, maternity/paternity leave, sick days, personal time, and volunteer time
- Flextime benefits

Caring for Others

Our commitment to having a positive, lasting impact on the world extends beyond our employee partners and our clients. We encourage our partners to be active participants in civic and charitable organizations in their local communities and abroad by providing them with paid-time off to pursue their passion and dedicate their time and energy to charitable endeavors of their choosing. In 2019, members of the Keene Advisors team provided training and an internship opportunity for high school seniors through Upward Bound at Boston University and continued to donate considerable time to civic and non-profit organizations, including serving on the Board of Directors of Land's Sake.



Sharing Our Profits

Charitable Giving Overview

We have committed to direct at least one-quarter of our profits to charitable causes, primarily 501(c)(3) organizations that do not have an expressly political or religious purpose. Because every employee contributes to our profits, every employee participates equally in charity selection and profit allocation decisions.

Measuring Our Cumulative Global Impact

Since the founding of Keene Advisors in 2015, our team has partnered with wonderful organizations and had a significant impact on the lives of thousands of people around the globe, including:

DOMESTIC PARTNERS



INTERNATIONAL PARTNERS



Reducing Our Impact on the Environment

Measuring and Reducing Our Carbon Footprint

Keene Advisors' carbon footprint hinges on two key sources: travel and office infrastructure. Accordingly, we have set out to reduce and offset our impact where feasible.

As it pertains to travel, Keene continued to adhere to the policy adopted in 2016 to book travel through fellow B Corp and Boston local company TripZero. TripZero tracks and eliminates the carbon footprint from our travel (air, car or train) and hotel stays for no cost. In 2019, Keene offset over 4,000 lbs of carbon from travel.

As it pertains to our office infrastructure, Keene Advisors maintains its headquarters location in a LEED Silver certified building which was awarded an Energy Star from the U.S. Environmental Protection Agency (EPA) in recognition of superior energy performance. Buildings that earn EPA's Energy Star use 35% less energy and generate 35% fewer greenhouse gas emissions than similar buildings across the nation. In 2019, Keene transitioned to a mostly remote workforce which significantly reduces the Company's carbon footprint from the daily commute.



Our Goals for 2020

Goals for 2020

While we made progress in our efforts to provide a public benefit during 2019, we are focused on continuously improving across every aspect of our business. In 2020, we are focused on improving the services and value we deliver to clients while increasing our social impact.

In terms of our public benefit goals, we aim to:

- 1** **Grow revenue and multiply profits, which drive our giving program**
- 2** **Make tangible efforts to support the growth of the B Corporation movement and the broader social enterprise ecosystem**
- 3** **Complete our B Impact Assessment and develop an action plan to improve our score**

Letter from the Benefit Director

It was another strong year of increasing their socially responsible impacts at Keene Advisors. Due to their achievements and heavy involvement in the Benefit Corporation community, for the third year in a row, Keene Advisors was named a Best For The World honoree. This recognition has been well deserved as the company continues to cut their carbon output significantly by implementing a telecommuting policy and offsetting an additional 4,000 lbs of CO2 with fellow B Corp, Trip Zero. Additionally, the team continued their tireless work of engaging community partners including Upward Bound, Land's Sake, and lecturing at Universities.

While the following page outlines how Keene Advisors has fulfilled all requirements for benefit corporation certification, the efforts and recognitions highlighted throughout this document, demonstrate the company's strong work in moving beyond the minimum requirements of the Commonwealth of Massachusetts and the third-party certifying organization, B Lab. Their goal, to become the leading socially responsible advisory firm in the world, is ambitious. However, with their core values of honesty, integrity, transparency, and compassion, Keene Advisors continues to rise to oncoming challenges and move closer to achieving this goal. In my opinion, the fact that a substantial amount of their revenue was generated by repeat clients, is evidence that their stakeholders also agree this goal is further coming into focus. Later this year, they will complete their Impact Assessment. These assessments are key to measuring and verifying their efforts and benchmarking themselves with others. It is my pleasure to share that I, and other stakeholders, have observed advances towards their goal and I look forward to seeing, and sharing, assessment results in the near future.

D. Scott Borden (PhD), Benefit Director
sborden@western.edu
Western Colorado University
600 N Adams St.
Gunnison, CO 81230

Massachusetts Benefit Report Requirements

Requirement	Response
Description of the ways in which the benefit corporation pursued a general public benefit during the year and the extent to which general public benefit was created	See pages 7-11
Description of the ways in which the benefit corporation pursued a specific public benefit that the articles of organization state it is the purpose of the benefit corporation to create and the extent to which that specific public benefit was created	See pages 7-11
Description of any circumstances that have hindered the creation by the benefit corporation of general public benefit or specific public benefit	None
Description of the process and rationale for selecting the third-party standard used to prepare the benefit report	See pages 6 and 7
An assessment of the overall social and environmental performance of the benefit corporation against a third-party standard	See page 7
The name and address of the benefit director	See page 13
The compensation paid by the benefit corporation during the year to each director in the capacity of a director	\$0
The name of each person that owns 5 percent or more of the outstanding shares of the benefit corporation	Travis Borden
The statement of the benefit director	See page 13
A statement of any connection between the organization that established the third-party standard and the benefit corporation or its directors, officers or any holder of 5 percent or more of the outstanding shares of the benefit corporation	None

Connect With Us

KEENE ADVISORS' ADDRESS

745 Atlantic Avenue,
8th Floor
Boston, MA 02111

Tel: 617-765-7055
Info@KeeneAdvisors.com
www.KeeneAdvisors.com



Keene Advisors is located in Boston, Massachusetts, which has been a center for innovation and trade for hundreds of years. Boston is home to many important milestones, including:

- 1. The United States' first public school, Boston Latin School (1635)*
- 2. The first subway system, the Tremont Street Subway (1897)*
- 3. The first public park, Boston Common (1634)*

Today, Boston is poised to become a center for socially responsible business and Keene Advisors is proud to be part of that community.

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