

IMPACT REPORT 2025

UNLOCKING IMPACT
FIVE YEARS OF RAISING
THE STANDARD

BEACON
FUND





Photo: CAS Energy's factory in Ninh Thuan province

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Disclaimer: The material contained in this document is for informational purposes only and should not be construed as or relied upon as financial or investment advice.



Message

from our CEO

Five years is a natural moment to pause and reflect.

What have we built? What have we learned? What still needs to change? And where to from here?

If I am candid, the entrepreneur in me often feels impatient. I wish we could move faster - especially when the need for committed impact capital today feels greater, not less, than when we started. Yet at this five-year mark, I am genuinely proud of how far we have come.

Together, we have helped bring impact-oriented private credit to Vietnam – now a working model with real capital deployed, real companies supported and real impact unlocked. We also continue to push the boundaries of what this model can look like in practice and, if it is not too bold to say, to be a beacon that might light the way for others.

Being first is never easy. There are no roadmaps when you are building something new. Each step requires experimentation alongside conviction, having the same conversations many times over, and continually explaining, refining, and proving that a different approach can work. Yet there is deep satisfaction in knowing that we have helped create a model that did not previously exist in Vietnam.

Over the past year, we have seen growing proof points that this model is not only viable, but full of potential:

- CAS Energy became the first company in our portfolio to unlock an impact-linked incentive, demonstrating how aligning financial incentives with impact can provide the nudge for entrepreneurs to take concrete steps towards greater gender equality - and serving as a tangible example of Beacon's impact additionality.
- We are implementing impact-linked incentives at the Limited Partner level for the first time, linking a new first-loss equity tranche from the SDG Impact Finance Initiative to impact performance.
- Two additional loans were fully repaid in 2025, bringing the total number to four since inception. These successful 'exits' - as they are exactly that in the private credit context - are instrumental in building further momentum for our model.
- We achieved BlueMark Platinum certification, demonstrating that smaller funds working with SMEs can implement rigorous yet fit-for-purpose impact and ESG practices.

What has become increasingly clear is that this work is not about optimising a single variable. It is about balance. Expanding access to finance for underserved businesses while maintaining disciplined underwriting. Supporting companies through challenges while remaining responsible stewards of capital. Nudging our portfolio towards greater impact while recognising the operational realities they face.

After many years of doing this work, I do not believe there is a perfect equilibrium - only a continuous process of calibration.

If the past five years were about proving that this model can work, the next will be about demonstrating that it can scale. The path ahead is unlikely to become simpler. Our operating environment continues to evolve rapidly, and the trade-offs we navigate may become more complex. At the same time, we are increasingly conscious that we are not only building a fund, but helping to shape what this model can become. With that comes a responsibility - to scale thoughtfully, strengthen our capabilities, and continue setting a high standard for both financial stewardship and impact performance.

To everyone who has chosen to take this journey with us - our investors, entrepreneurs, and partners - thank you. Your trust makes this work possible.

On a personal note, I remain deeply grateful to do work that I find meaningful, alongside people I respect and learn from every day.

Sincerely,



Shuyin Tang

CEO & Co-Founder of Beacon Fund



Impact[■] at a glance

IMPACT REPORT 2025 | 05

Since our launch in September 2020, we have:

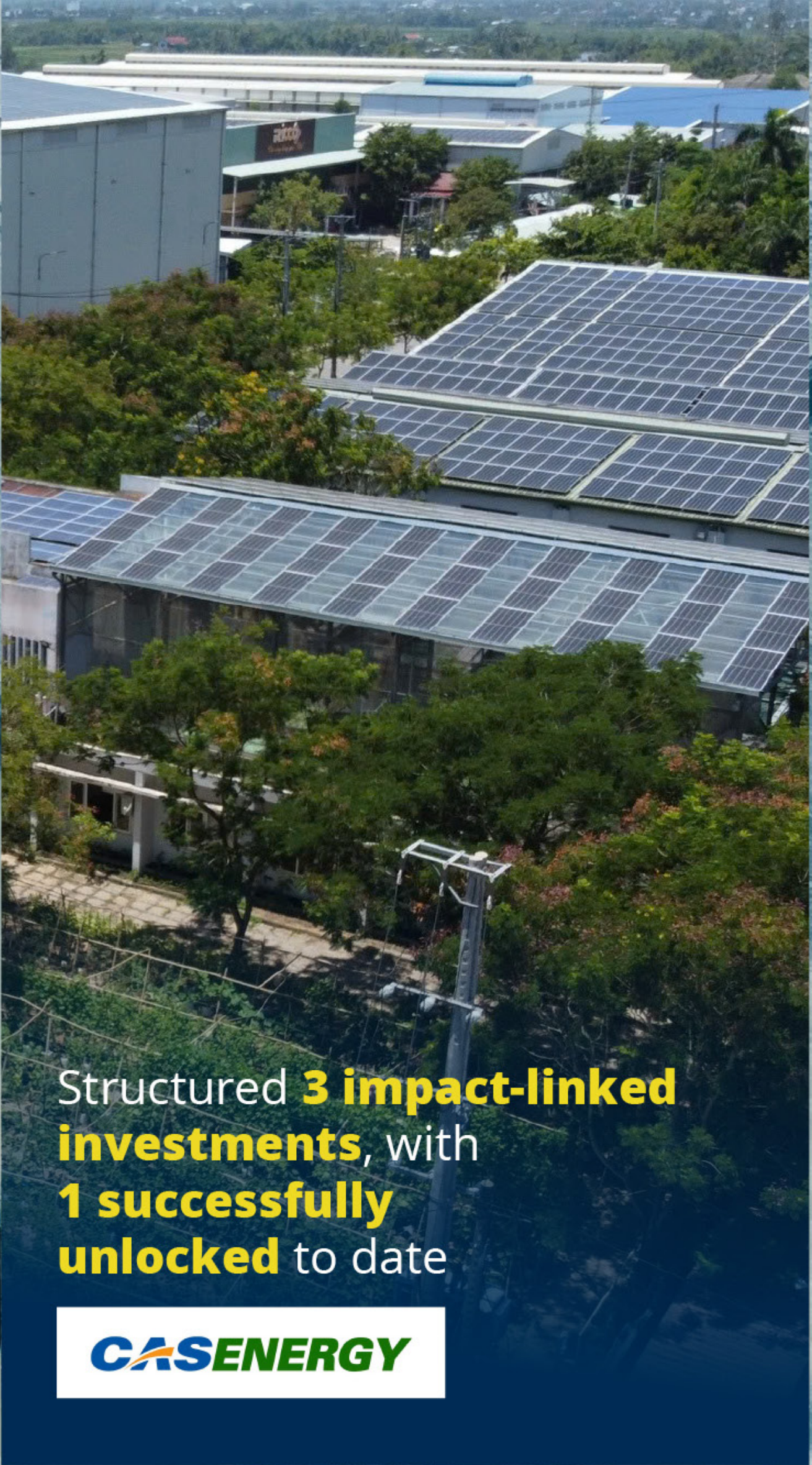


Made **12 investments**, including **3 follow-on loans**, across **9 gender-diverse companies** operating in **diverse sectors**



Completed **4 successful repayments**





Structured **3 impact-linked investments**, with **1 successfully unlocked** to date





Market-leading telecommunications infrastructure company in Vietnam.

New follow-on loan disbursed



A pioneer in renewable energy and smart agriculture contributing to climate change mitigation in Vietnam.



Food and beverage company operating a range of Japanese restaurant concepts in Vietnam.



Multi-brand skincare and beauty retailer.



Manufacturer of educational games and toys for global brands*.



Technology school bringing coding education to grade 5-12 students and young adults across Vietnam.

1st investment successfully repaid



Women's bags and accessories retailer in Hanoi.

Successfully repaid



Chain of seafood restaurants in Ho Chi Minh City.

Successfully repaid



USDA & EU-organic certified, vertically integrated rice company.

Successfully repaid

Note on Data Scope and Revisions:

Reported data includes only portfolio companies that were active as of 31 December of the reporting year and that submitted the required data within the reporting timeline. Where a portfolio company subsequently revises previously submitted information, the updated data are reflected in our internal systems and incorporated into the latest version of our impact report.

*Impact data was not available as of December 2025.

Women's
Empowerment

100%

portfolio companies meet
the 2X Criteria



45%

of management roles
are held by women

2,000+

job opportunities were supported/
sustained, **67%** of which are for women

Quality Education
Services

17,200+

students gained access to high-quality,
affordable technology education,
23% of whom are women

Climate Change
Mitigation

9,600+

tons of CO2
emissions reduced

Essential
Services

19

cities & provinces where Internet
is being provided to end users



Beacon Fund is proud to have been recognised with a Platinum rating as a result of BlueMark's Fund ID impact verification process.

[BlueMark](#) provides an independent assessment of a fund's alignment with impact investing and ESG best practices. Read Beacon's Verifier Statement [here](#).



*Impact*²

trends over time

What we've learned



Over the past five years, our engagement with our portfolio companies has generated insights into how access to appropriate financing and investor support can influence SME development. The observations presented in this section draw on portfolio data and feedback from companies to better understand how they have evolved during the investment period.

How this links to our Theory of Change

Beacon's impact approach is guided by a Theory of Change that connects the provision of appropriate financing and capacity support to SMEs with broader outcomes, including stronger businesses and progress toward women's economic empowerment. Over time, these outcomes are expected to contribute to improved livelihoods and more resilient local economies (*see Appendix: Our theory of change, page 39*).

The following sections present selected observations from our portfolio across key dimensions of this approach, including financial inclusion, SME support beyond capital, women's empowerment, social and environmental impact, and financial performance.

1 Financing the Missing Middle

Access to appropriate financing is a key entry point in Beacon's Theory of Change, which recognises that SMEs pursuing sustainable growth, particularly women and diverse-led SMEs, often face barriers to obtaining capital from traditional providers.

Beacon Fund focuses on the "missing middle" - SMEs pursuing sustainable growth that are too large for microfinance, too small or early for traditional private equity, unlikely to fit the exponential growth expectations of venture capital, and often unable to meet the collateral or underwriting requirements of commercial banks.

Understanding access to capital

While this financing gap is widely discussed, data on SMEs' actual experience accessing capital remains limited. To better understand how our portfolio companies navigate this landscape, Beacon began systematically collecting client-reported data on access to financing.

In 2025, Beacon conducted the first structured measurement of portfolio companies' access to finance as part of our financial inclusion framework. The findings presented below establish a baseline against which we will assess trends over time, including changes in access to capital and the suitability of our products.

Our methodology

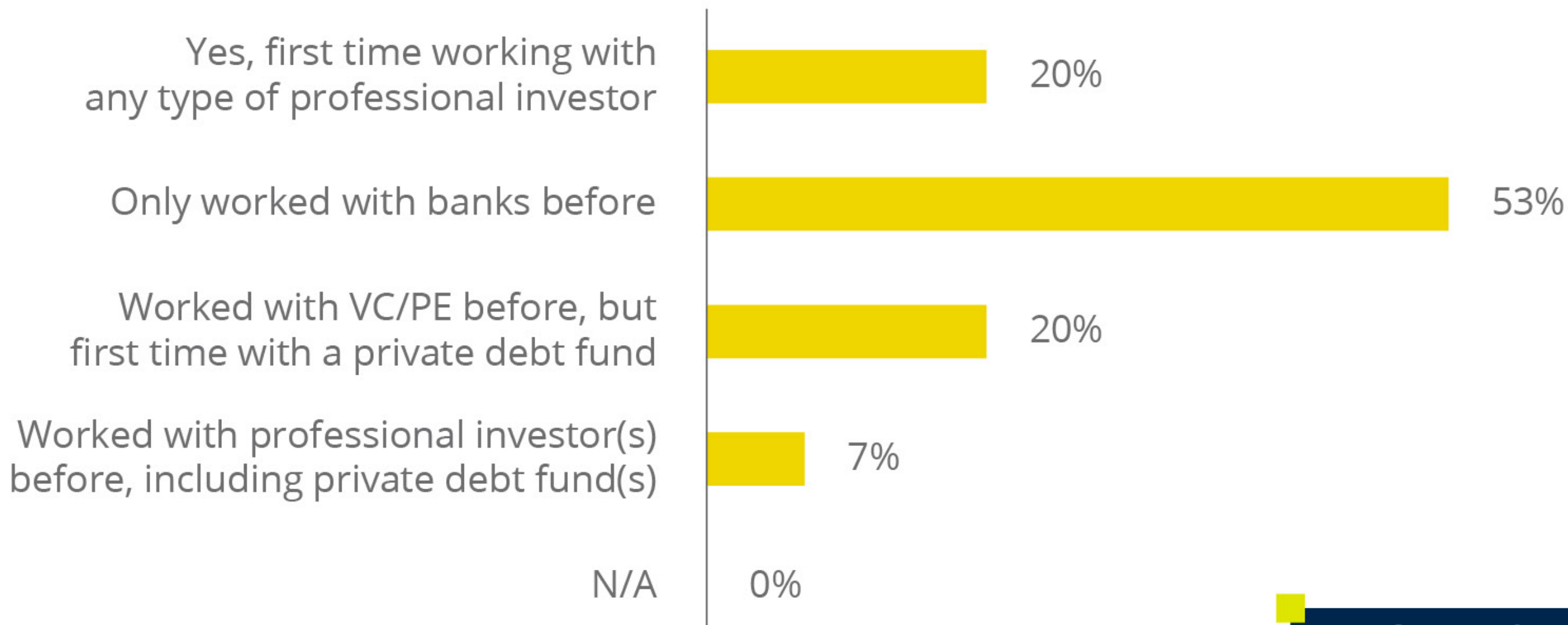
Building on our annual client satisfaction survey using the Net Promoter Score (NPS) methodology developed by Bain & Company, an assessment of financial inclusion was introduced in 2025 across Beacon's six active portfolio companies.

The survey was distributed to 30 recipients, including CEOs, Founders, Co-Founders, senior management and relevant staff who worked closely with us during the investment period. Given the diversity of respondents' roles and responsibilities, participants were invited to answer the questions most relevant to their areas of engagement.

The assessment is based on 15 responses, including 5 from CEOs, Founders, and Co-founders. All responses were collected anonymously to encourage candid feedback. While the sample size remains relatively small, the responses provide useful insights into the experiences of our portfolio companies and their engagement with Beacon.

Chart 1.1: Our portfolio's prior experience with professional investors

Survey question: Was working with Beacon Fund the first time you have worked with a professional investor?



Key observation

Limited access to investment funds, particularly private debt

Most companies in our portfolio previously relied mainly on bank loans, and for several of them Beacon is the first professional investor they have worked with. This suggests that access to investment funds - especially private debt - has been limited for many of these businesses.

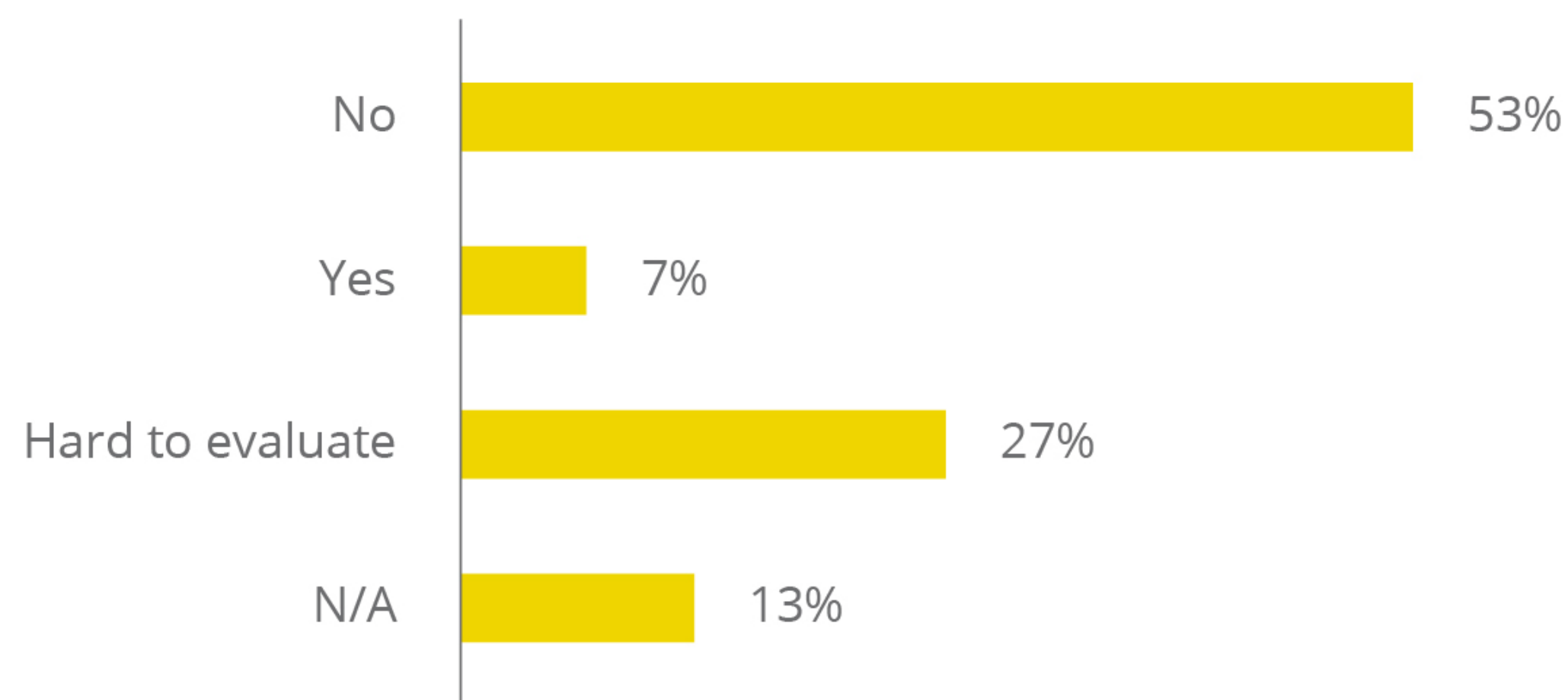


Chart 1.2: Our portfolio's access to alternative financing like Beacon (IRIS+ Code: PI2822)

Survey question: Before working with Beacon Fund, were you able to access similar financing products or services to what you received through Beacon?

Key observation

Alternative financing options remain limited

Most companies in our portfolio reported that they were either unable - or found it difficult to assess whether they could - access financing similar to Beacon's prior to working with the Fund, highlighting the limited availability of private debt financing for these businesses.

Chart 1.3: Product fit: How well do Beacon meet our portfolio's financial needs and capacity

Survey question: How well do Beacon Fund's financial products fit your business's current financial needs and capacity?

Key observation

Strong overall product fit with constructive feedback

Most companies in our portfolio reported that Beacon's financial products fit their needs and capacity well, indicating strong alignment between Beacon's financing structure and the realities of these businesses.



Portfolio companies applying for follow-on loans

During our five years of operations, 2 out of 9 portfolio companies successfully applied to Beacon for follow-on loans, with one company receiving multiple rounds. This provides an example of how some portfolio companies have continued to access Beacon's capital as their financing needs evolved.

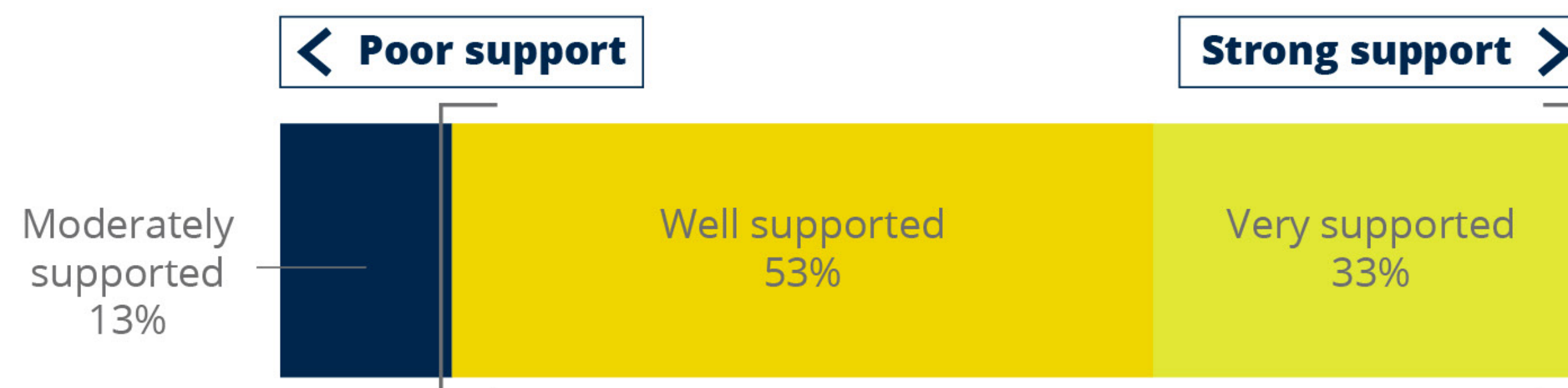
2 Strengthening SMEs beyond capital

Access to financing is only one part of supporting the growth of “missing middle” SMEs. Many companies also face challenges related to financial management, strategic decision-making, and the adoption of responsible business practices.

To better understand how this support is experienced in practice, the 2025 client survey included questions on portfolio companies’ perceptions of Beacon’s engagement beyond capital. These covered areas such as support during financial stress, financial decision-making, non-financial assistance, and exposure to impact, gender, and ESG practices.

Chart 2.1: Our portfolio’s perceived support during financial stress or uncertainty

Survey question: When your business faces financial stress or uncertainty, how supported do you feel by Beacon Fund?



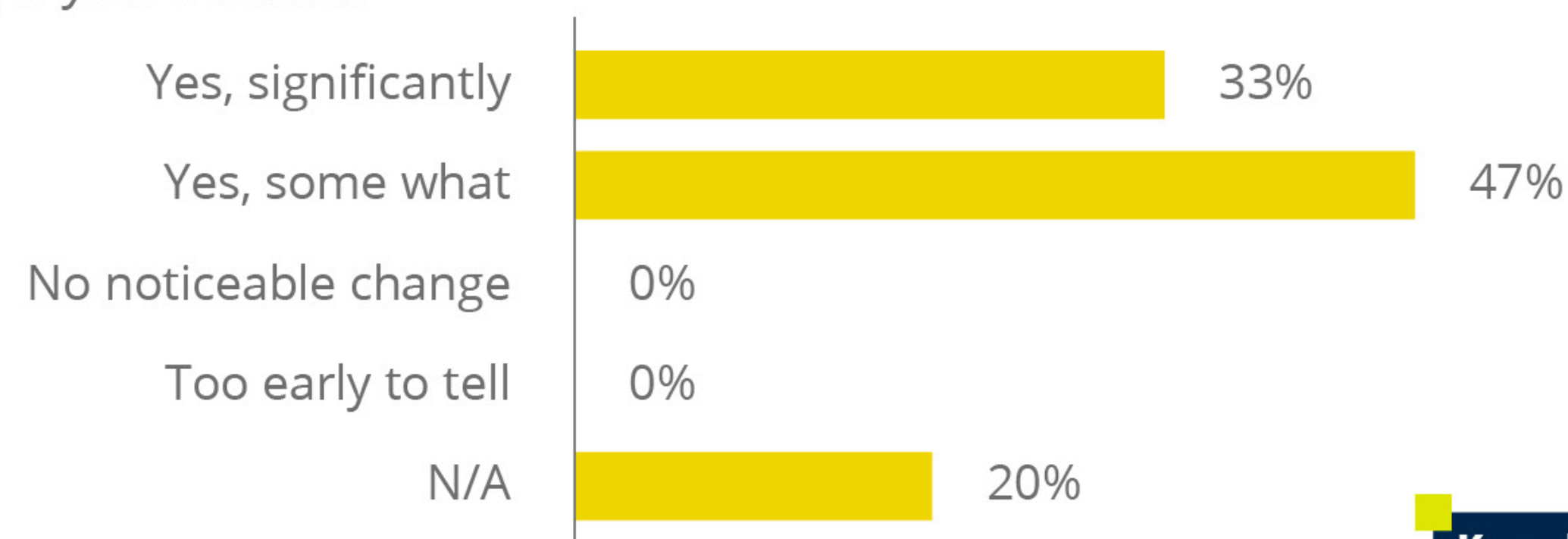
Key observation

Strong perceived support during financial stress

Portfolio companies generally reported feeling supported by Beacon during periods of financial stress or uncertainty, with most respondents indicating that they felt well supported or very supported, and no responses indicating poor support.

Chart 2.2: Our portfolio’s improved confidence in financial decision-making

Survey question: Has working with Beacon Fund improved your confidence in making financial decisions for your business?



Key observation

Improved confidence in financial decision-making

Most portfolio companies reported increased confidence in their financial decision-making after working with Beacon. This suggests that beyond providing capital, engagement with Beacon may also contribute to strengthening financial management practices, knowledge, and business decision-making.

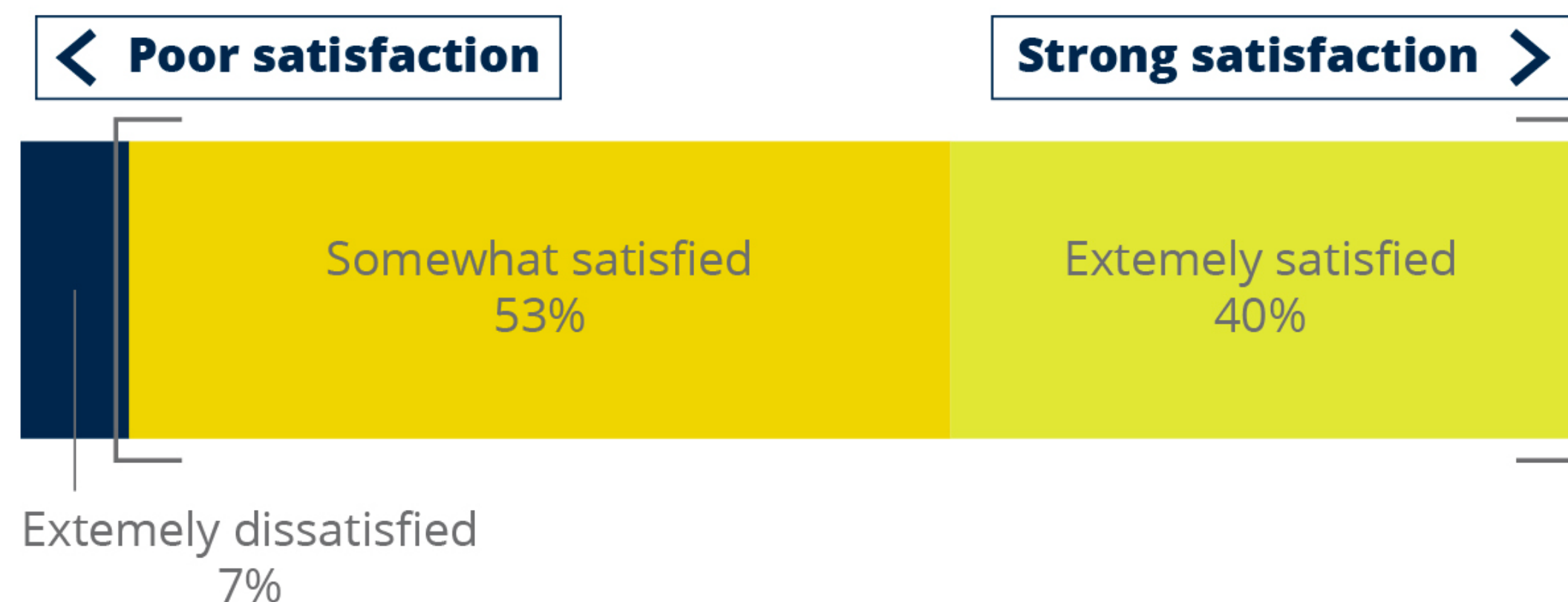


Chart 2.3: Our portfolio's satisfaction with non-financial support

Survey question: How satisfied are you with Beacon Fund's non-financial value-added contribution or support (e.g. strategic advice, introductions, capacity building opportunities)?

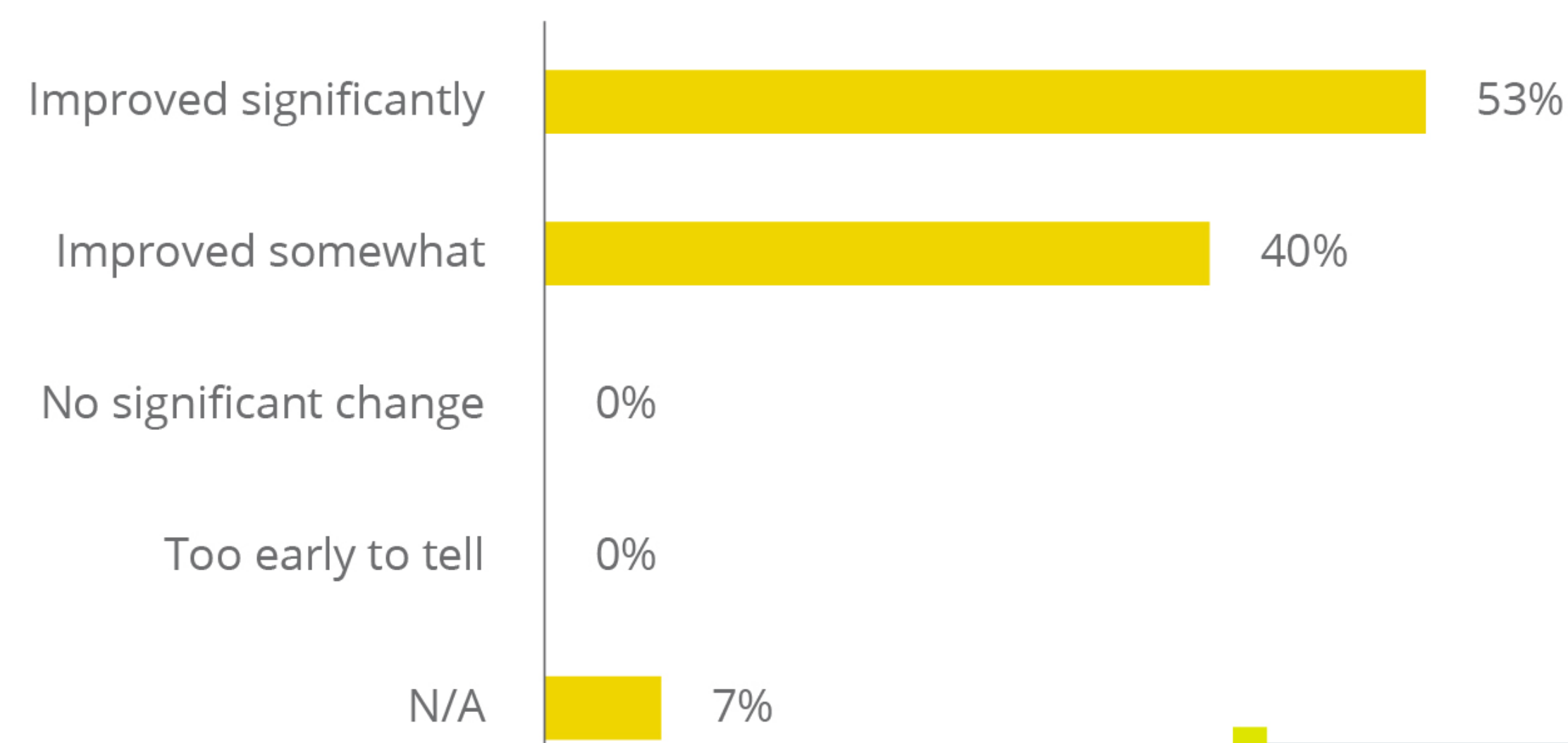
Key observation

Generally positive feedback on non-financial support

Most portfolio companies reported being satisfied with Beacon's non-financial support, including strategic advice, introductions, and capacity-building opportunities.

Chart 2.4: Our portfolio's improved understanding of impact, gender & ESG practices

Survey question: To what extent has working with Beacon Fund improved your company's understanding of impact, gender diversity, and ESG practices?



Key observation

Improved understanding of impact, gender, and ESG practices

Most portfolio companies reported improved understanding of impact, gender diversity, and ESG practices after working with Beacon.

Feedback from our portfolio

Survey question: If applicable, how has your improved understanding of impact, gender diversity, and ESG practices benefited your business?

Deeper understanding of ESG practices to improve decision-making, risk management and credibility, while strengthening governance, workplace environment and social responsibility.

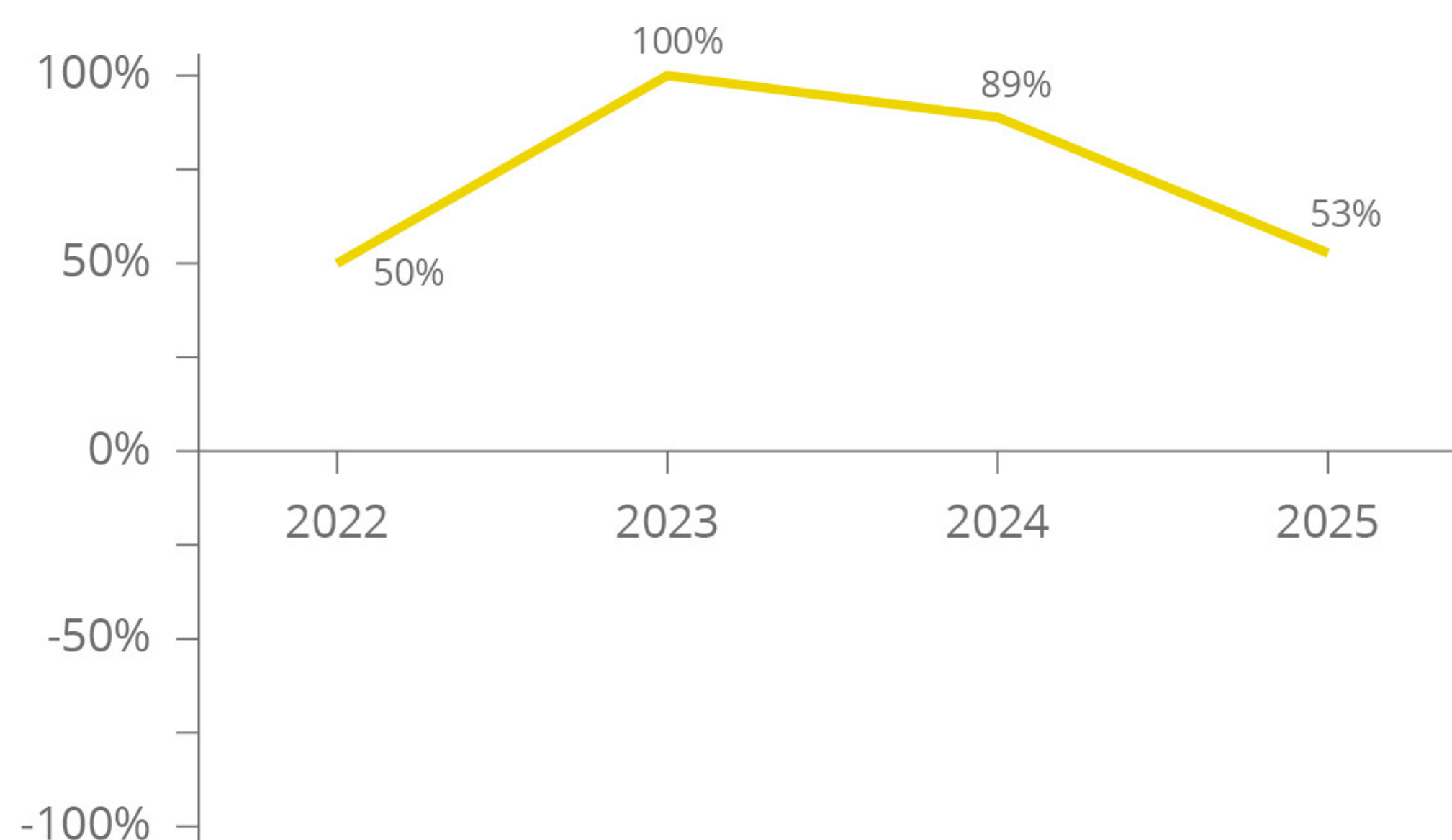
Risk management, HR practices and compliance.

HR practices to create a harmonious and sustainable organisational structure.

Access to capital.

Enhancing consumer perception through environmentally friendly materials.

Chart 2.5: Customer advocacy: How likely are you to recommend Beacon? (IRIS+ Code: PI7163)



NPS > 0: Good | NPS > 20: Favourable | NPS > 50: Excellent | NPS > 80: World class

Net Promoter Score (NPS)

Developed by consulting firm Bain & Company, the Net Promoter Score is a single, easy-to-understand metric that is used to measure and manage customer loyalty. To calculate NPS, we asked, "How likely are you to recommend Beacon Fund to a friend or fellow entrepreneur?" and scored the answers on a zero-to-ten scale. Customers can be classified as promoters (those who scored 9 or 10), passives (7 or 8) and detractors (0 to 6). The NPS is the percentage of customers who are promoters minus the percentage who are detractors.¹ A company's score ranges from -100 to +100. While NPS differs across industries, general benchmarks suggest a score above 0 is good, above 20 is favourable, above 50 is excellent and above 80 is world class.²

1. Consistently strong feedback with broader perspectives

Since Beacon began tracking Net Promoter Score (NPS) in 2022, results have remained in the "Excellent" range, indicating generally positive feedback and a strong willingness among portfolio companies to recommend working with the fund. In 2024, the survey respondent base was expanded beyond CEOs and founders to include portfolio company staff working closely with the fund, such as those involved in finance, legal, and impact management, providing a more operational perspective on the working relationship.

2. Deeper insights to support learning and improvement

In 2025, the NPS was 53% ("Excellent"). As a pioneer private debt fund working with early- and growth-stage SMEs, portfolio management often involves evolving company needs and challenges, particularly in times of economic uncertainty. The survey also introduced additional questions to better understand Beacon's support and financial inclusion contributions, enabling more candid feedback and informing ongoing improvements in how the fund collaborates with and supports portfolio companies.

Reasons to recommend Beacon to other companies

- "Beacon's financial solutions are well aligned with the needs and characteristics of our business."
- "Beacon demonstrates a professional and transparent approach, with clear communication, quick responses, and a genuine effort to understand our business operations."
- "The team works proactively and professionally, making collaboration and information exchange efficient while building strong trust between both sides."
- "Beacon has fully supported the company by providing operational advice and by taking the time to understand the challenges the business is currently facing."
- "In addition to financial support, Beacon also offers insights on governance and management, and encourages businesses to contribute to social impact, equality, and a greener economy."
- "An efficient, straightforward, and sincere partner to work with."

1. [Net Promoter System](#), Bain & Company

2. [What is a good Net Promoter Score?](#), Qualtrics

3 Women's empowerment

Gender inclusion is an important dimension of Beacon’s impact approach. Following the launch of the updated 2X Criteria in January 2024 by the 2X Challenge, Beacon continued in 2025 to support portfolio companies in adapting to these evolving standards, including the introduction of Basic ESG requirements.

Many portfolio SMEs already had elements of non-discrimination, anti-harassment, and Gender-Based Violence and Harassment (GBVH) provisions embedded in their internal HR or office policies. However, these practices were often not formally documented, and most companies did not yet have standalone ESG policies.

Beacon therefore worked with companies to review existing practices and formalise practical ESG and workplace policies aligned with relevant international standards, while ensuring that these commitments reflect practical procedures and implementation, rather than remaining purely documented policies.

Governance and accountability are also part of this process. Portfolio companies typically designate a staff member to work with Beacon on impact and ESG, responsible for coordinating data, management systems, and implementation, with oversight and buy-in from senior management.

This engagement complements Beacon’s broader ESG and impact approach, which uses sector-specific ESG guiding questions during due diligence and portfolio engagement to assess practices and identify areas for improvement (*see the Appendix: Integrating ESG & Impact into investment process, page 43*).

The table includes data from our active portfolio companies as of the end of 2025. Data for Komarc is not available.

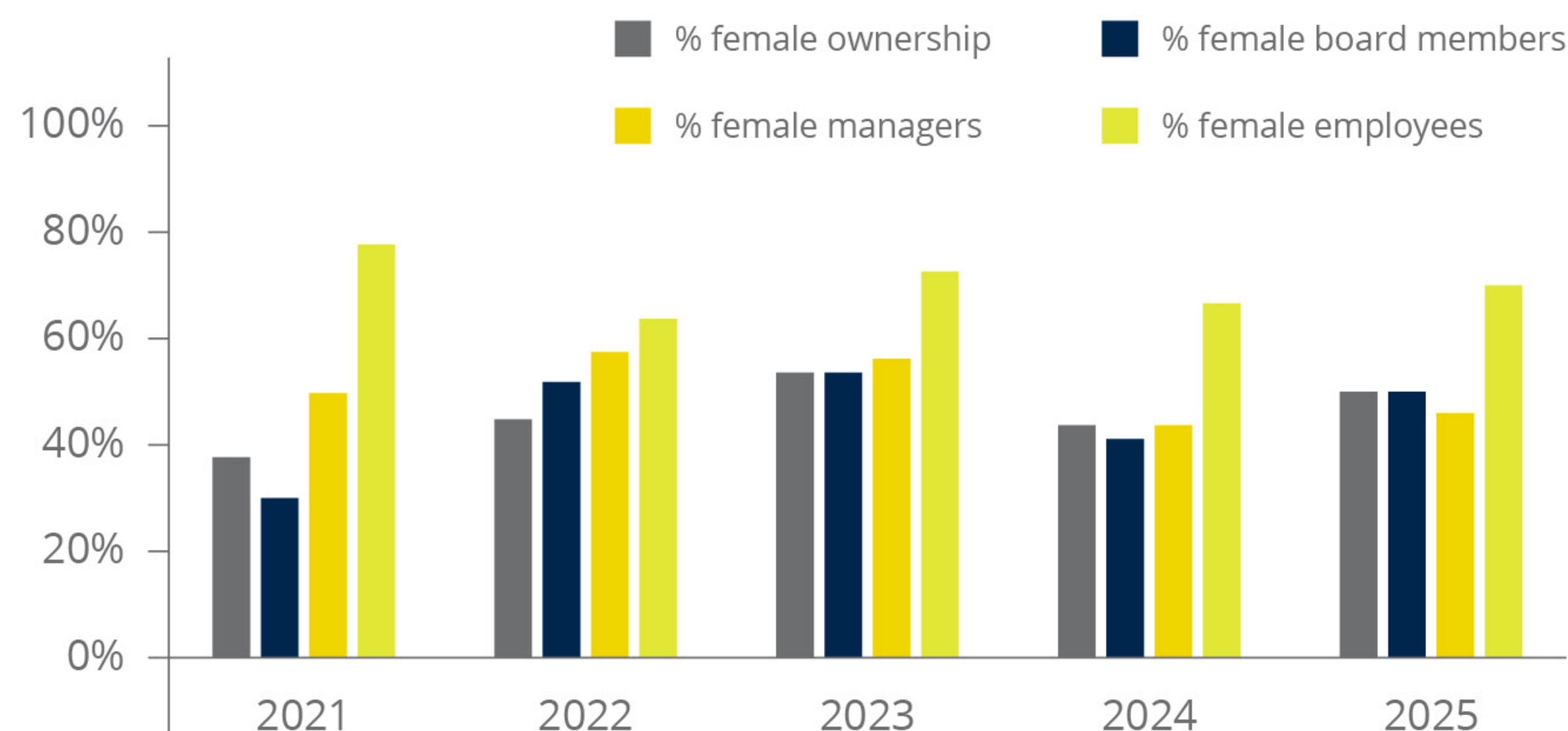
The table below summarises how Beacon’s portfolio companies currently align with the 2X Criteria.

Chart 3.1: Our portfolio’s 2X-alignment in 2025

     						
Entrepreneurship & Ownership <i>(confidential)</i>			✓	✓	✓	✓
Leadership <i>(board or management)</i>	Female Board	✓ 67%	✓ 40%	✓ 33%	✓ 33%	✓ 50%
	Female Managers	✓ 58%	✓ 75%	24%	✓ 39%	✓ 67%
	2X Threshold	30%	30%	30%	30%	30%
Employment	Female Employees	✓ 77%	✓ 72%	✓ 29%	✓ 57%	✓ 62%
	2X Threshold	45%	45%	25%	45%	25%

New						
Supply Chain		‘Supply Chain’ was recently added as its own distinct criterion. We are currently assessing our portfolio companies in relation to this criterion				
Products & Services		✓	✓			

Chart 3.2: Female representation in Beacon's portfolio
(IRIS+ Codes: OI2840, OI1075, OI8118, OI8251, OI1571, OI3160, OI6213)



2X Criteria Thresholds*:



Invest in women. Invest in the world.

■ **Entrepreneurship & Ownership:**

- At least 50% founders are women that retain an active role or
- At least 51% of shares owned by women

■ ■ **Leadership:**

- At least 30% of board members are women or
- At least 30% of senior management are women

■ **Employment:**

At least 25-45% of employees are women (depending on sector) with at least one quality employment indicator**

Note: Female Managers are full-time female employees in management positions who report directly to the CEO, as well as the CEO themselves.

**To find the country- and sector-specific 2X Criteria thresholds, please visit: 2xchallenge.org/2xcriteria.*

***"Quality" indicators of Employment must demonstrate proactive efforts to support women that go beyond basic compliance, examples include recruitment practices to drive gender diversity, equal pay efforts, etc. For more details, please visit: 2xchallenge.org/2x-criteria-reference-guide.*

1. [Entrepreneurship & Ownership] All companies meet the 2X entrepreneurship criterion, with varying ownership levels

All companies in the portfolio have at least one active female founder - meeting the entrepreneurship criteria of the 2X Challenge. However, female ownership does not consistently exceed the 51% threshold. Ownership structures are generally less influenced by lenders, as they typically depend on shareholder dynamics and equity fundraising plans (i.e. dilution from additional equity rounds).

2. [Leadership] Women are well represented in leadership roles

Female board representation started at 29% (on average) in 2021 - slightly below the 2X leadership threshold of 30% - and has remained above the benchmark in all later years. The share of female managers was very high in the early years and gradually declined as the portfolio expanded, stabilising at approximately 45% for the past few years.

3. [Employment] Women represent the majority of the workforce across Beacon's portfolio

Women account for around 60-75% of total employees between 2021 and 2025, well above the employment thresholds defined by the 2X Challenge for companies in Vietnam (25-45%, depending on sector). Beacon works with our portfolio - depending on their priorities and capacity - to strengthen inclusive workplace practices for women, including non-discrimination policies, fair recruitment, progress toward equal pay, and measuring employee satisfaction. These efforts also contribute to the "quality" indicators under the 2X employment criteria.

Beacon has been working with portfolio companies to develop impact-linked financing structures, which connect financial incentives - such as reduced interest rates - to the achievement of agreed impact targets.

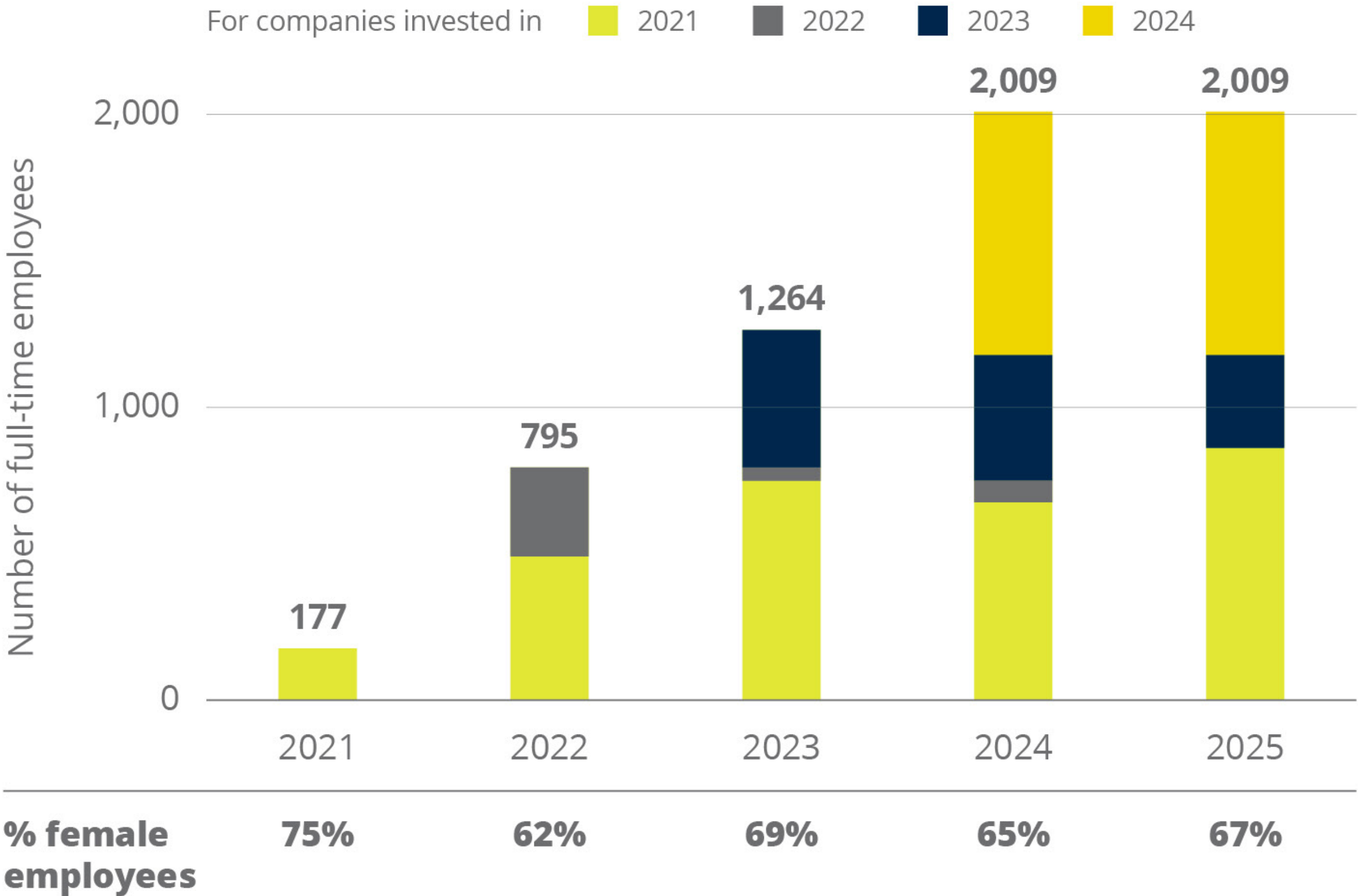
In February 2026, portfolio company **CAS Energy** became the first in Beacon's portfolio to unlock such an incentive. The company met targets related to hiring and retaining local female agricultural engineers and strengthening recruitment practices to promote gender equality, enabling access to capital at a lower interest rate.

Learn more about this case in the section Unlocking impact-linked financing with CAS Energy (page 26).



Photo: Ms. Tu Nguyen, CAS Energy's Co-founder & CEO

Chart 3.3: Jobs supported/ sustained through Beacon's portfolio (IRIS+ Codes: OI3160, OI6213)



Note: Data for each company is included only from the year of Beacon's investment onward and is segmented accordingly to show 'like-for-like' growth. Hoa Nang's data is not included for 2022 as the company was both invested in and successfully repaid within the same year.

Key observation

1. Portfolio companies continue to support around 2,000 jobs in Vietnam

Beacon's portfolio companies supported around 2,000 full-time jobs in both 2024 and 2025, maintaining stable employment despite no new companies being added to the portfolio in 2025.

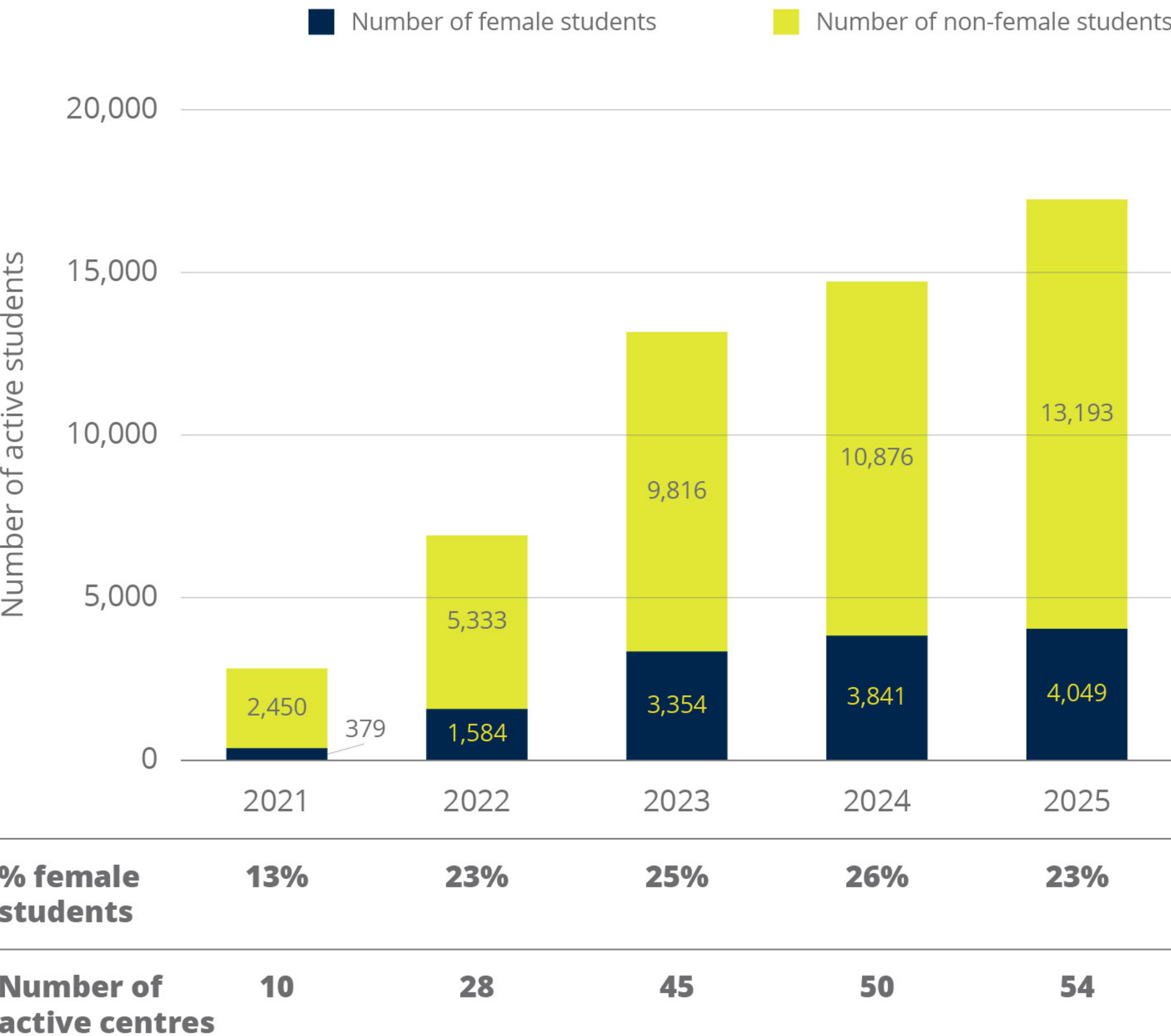
2. Women make up the majority of the workforce

Across the portfolio, women represent the majority of employees, highlighting the role of these businesses in providing employment opportunities for women in Vietnam.

4 Social & environmental impact

Quality Education Services

Chart 4.1: Number of students receiving education services at MindX Technology School (IRIS+ Codes: PI4060, PI8330)



Key observation

1. Access to education has expanded significantly

The number of active students increased from around 2,800 in 2021 to more than 17,000 in 2025, reflecting the continued scaling of MindX Technology School's education programs. The school has also gradually diversified its offerings, including expansion into early education segments such as kindergarten, which reached more than 600 students in 2025 following its launch in June 2024. In 2025, 10 students from disadvantaged backgrounds received scholarships from MindX, further expanding access to quality education for underserved groups.

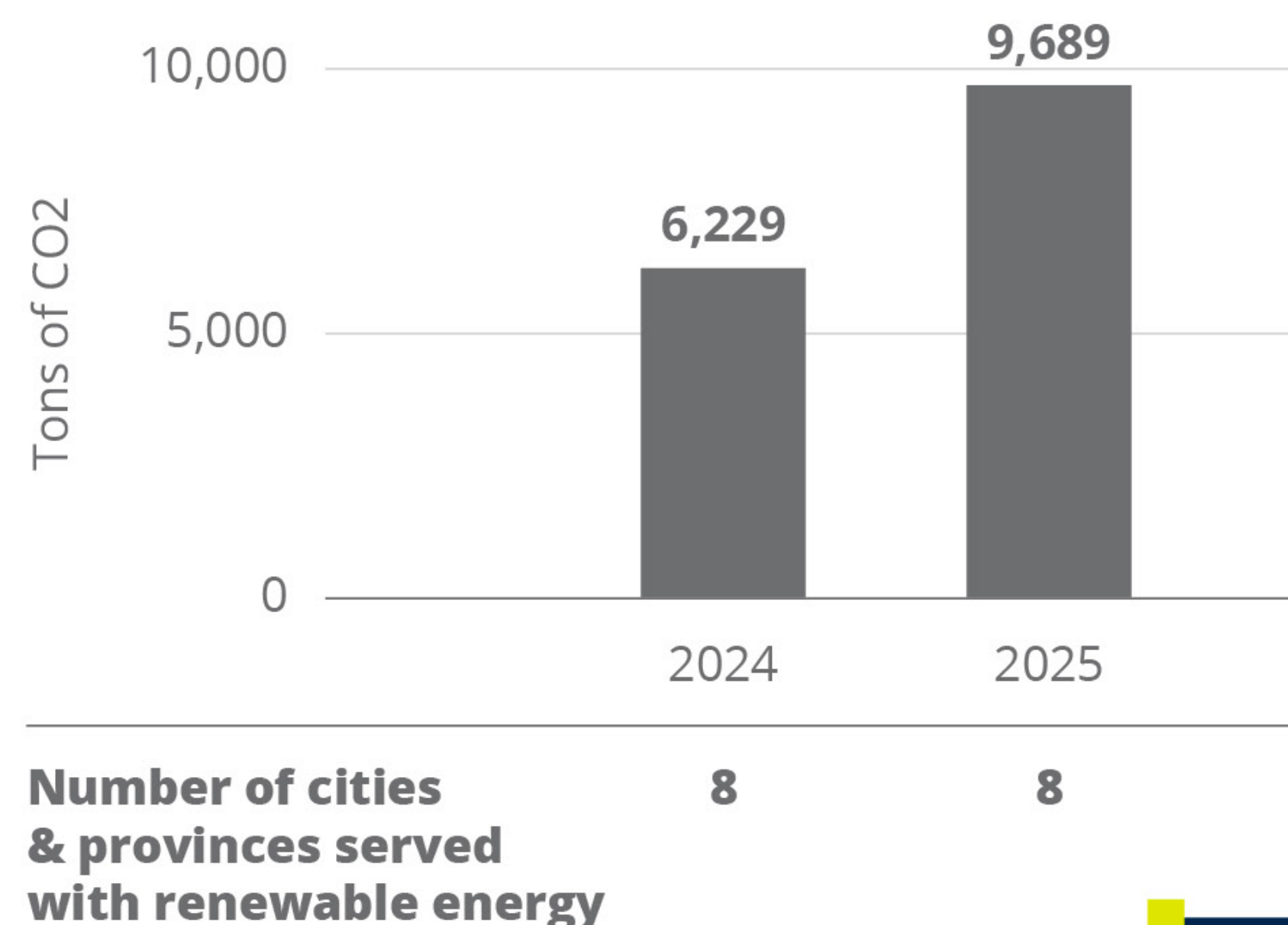


2. Female participation in technology education has increased substantially

At MindX, female participation in technology education has grown significantly, with female students increasing from 379 in 2021 to over 4,000 in 2025. However, female students represented 23% of total students in 2025 (up from 13% in 2021) and have plateaued at around 25% since 2022, highlighting the need for continued efforts to improve gender equality in STEM.

Climate Change Mitigation

Chart 4.2: Amount of greenhouse gas emissions avoided (IRIS+ Code: PI2764)



Key observation

Greenhouse gas emissions avoided increased significantly between 2024 and 2025

Avoided emissions grew from 6,229 tons of CO₂ in 2024 to 9,689 tons in 2025, representing an increase of more than 50% year-on-year. While still modest in absolute terms, this reflects a meaningful early climate contribution from CAS Energy, currently the only renewable energy company in Beacon's portfolio. Through its projects, end-users across eight cities and provinces in Vietnam are benefiting from access to clean energy solutions.

CASENERGY

Essential Services

19 cities & provinces where Internet is being provided to end users by Bo Cau Services



Organic Agriculture Products

38.9 tons of organic agricultural products sold in 2025 by CAS Energy (IRIS+ Code: PI1263)

12 smallholder household partners in 2025 (IRIS+ Code: PI9991)

7 cities & provinces where organic agricultural products are being provided to end users in 2025 by CAS Energy

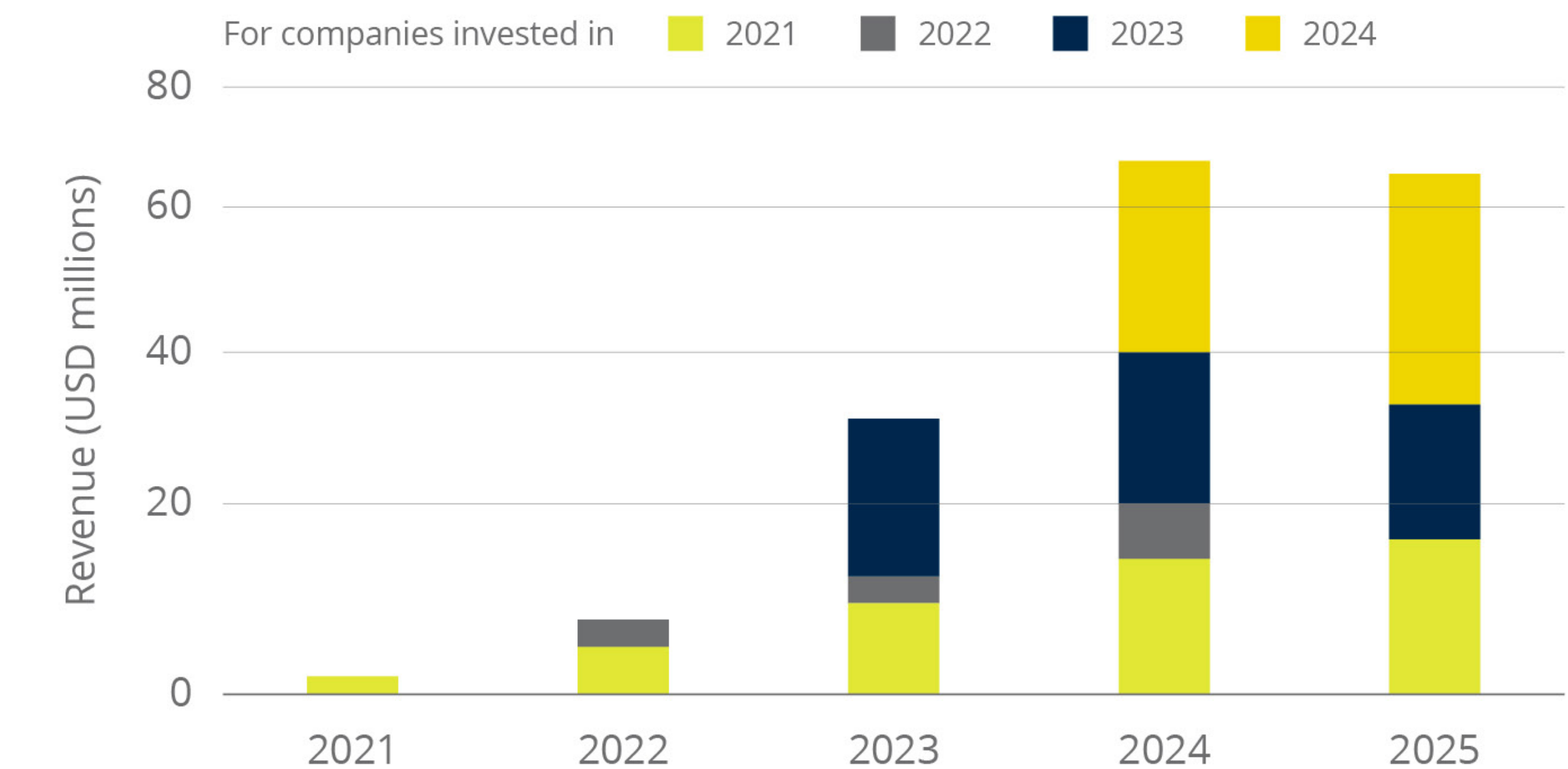
CASENERGY



Photo: One of Bo Cau's telecom infrastructure construction sites in Vietnam

5 Financial performance

Chart 5.1: Revenue generated by Beacon’s portfolio companies



Note: Data for each company is included only from the year of Beacon’s investment onward and is segmented accordingly to show ‘like-for-like’ growth. Hoa Nang’s data is not included for 2022 as the company was both invested in and successfully repaid within the same year. Data for Vua Cua and Komarc are not available.

Key observation

1. Stable portfolio revenue despite no new company additions

Total portfolio revenue remained stable between 2024 and 2025, with a slight 1.6% decrease. While no new companies were added in 2025, Beacon provided one follow-on loan to an existing portfolio company, continuing to support the current portfolio.

2. Successful repayments of the 2022 cohort

Companies invested in 2022 fully repaid their loans by 2025, which explains the absence of revenue contribution from this cohort in 2025.



Photo: Hoa Nang Organic and Beacon Fund teams during a field visit to Hoa Nang’s rice farm in Ben Tre province



Impact[■] verification

BlueMark Platinum



Beacon Fund is proud to achieve Platinum* – the highest impact verification rating – and was recognised on BlueMark's FundID Leaderboard in September 2025.

About BlueMark



BlueMark is the leading provider of independent impact verification and intelligence for the sustainable and impact investing market.

Website: <https://bluemark.co/>

About Fund ID

The Fund ID provides an objective assessment of a fund's impact approach and progress over time. It brings together best practice expectations across four key pillars of accountability: strategy, governance, management and reporting and is anchored in a broad range of industry standards (e.g., Operating Principles for Impact Management, SDG Impact, Principles for Responsible Investment, Impact Frontiers Reporting Norms) and regulations (e.g., SDR, SFDR).

The outputs of the Fund ID assessment include an overall rating – Platinum, Gold, Silver or Bronze – which is calculated by totaling the scores earned across each of the four underlying assessment pillars (strategy, governance, management, and reporting). The Fund ID is designed to be completed on an annual basis to enable performance tracking over time and can be applied to both funds actively fundraising as well as those with active portfolios.

Benchmarking our approach

In 2024, Beacon first connected with BlueMark at a global impact investing conference. We decided to engage BlueMark to independently assess how our impact and ESG practices aligned

with emerging global standards.

Our first Fund ID verification resulted in a Silver rating. The assessment highlighted that while many impact considerations were already embedded in our investment activities, they were not always formally documented in frameworks, policies or tools. It also identified areas where our ESG practices could be further strengthened.

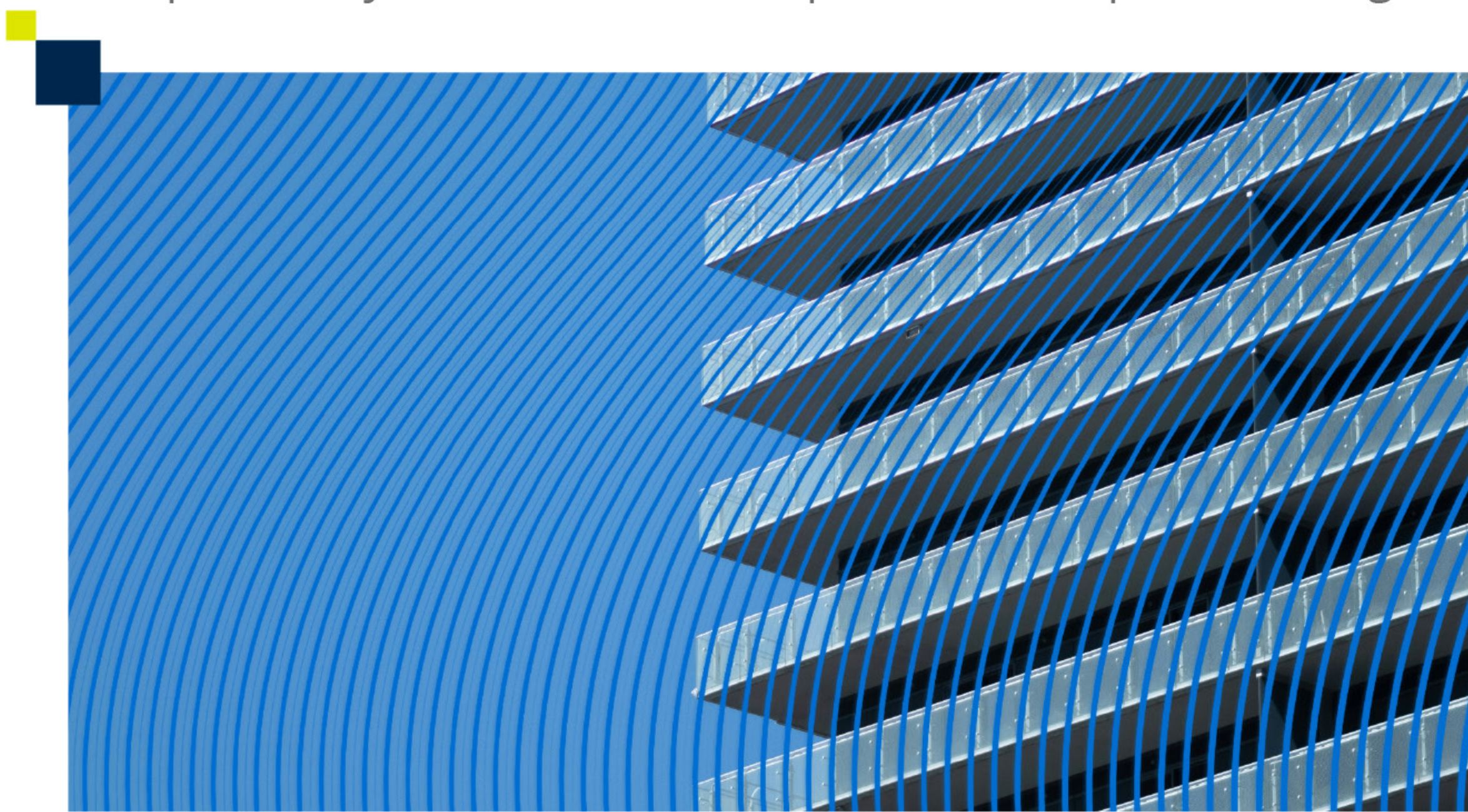
Our initial reaction was admittedly somewhat sceptical, as we questioned how far such frameworks could be applied in the context of a small fund working with “missing-middle” SMEs, most of which operate with lean teams and multiple priorities.

Strengthening our practices

However, over the following year, we reviewed BlueMark’s recommendations and made several improvements to our processes. This included clarifying our impact strategy, strengthening governance structures, and developing more structured tools to support impact and ESG management.

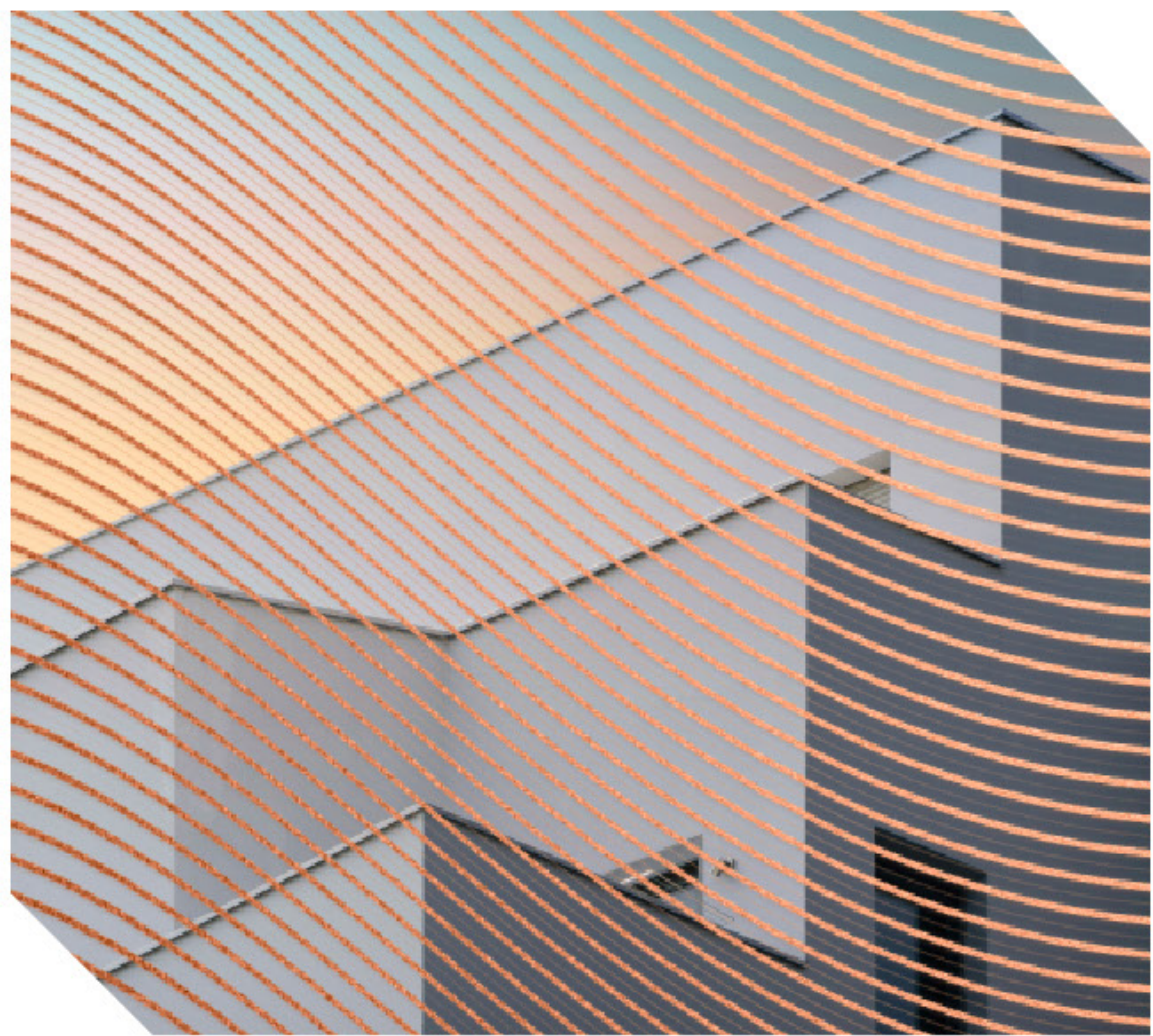
In many cases, the process involved formalising practices that were already part of our work with entrepreneurs, but had not yet been clearly documented. For example, we formalised a sector-specific ESG due diligence questionnaire and strengthened impact risk assessment - now integrated into our investment memos and impact roadmaps. We also further embedded ESG and impact considerations into our investment process, formalised our approach to tracking value addition, introduced impact underperformance protocols and developed a learning and improvement tracker to support continuous refinement.

In all cases, we worked hard to balance rigour and impact integrity with creating policies and tools that are fit-for-purpose with our strategy and customers.



Where we stand today

In September 2025, Beacon underwent a second Fund ID assessment and received a Platinum rating, the highest level in the framework, and was included on the Fund ID Leaderboard.



BlueMark Fund ID Leaderboard

The Fund ID Leaderboard was introduced in this year's sixth annual [Making the Mark](#) report.

Click on each fund name to download their most recent verifier statement.

Beacon Fund

DATE VERIFIED

• September 2025

FUND MANAGER

• Beacon Fund

INCEPTION YEAR

• 2020

ASSET CLASS

• Private Debt

IMPACT THEMES

• Financial Inclusion

• Gender Equality

• Multi-theme/theme agnostic

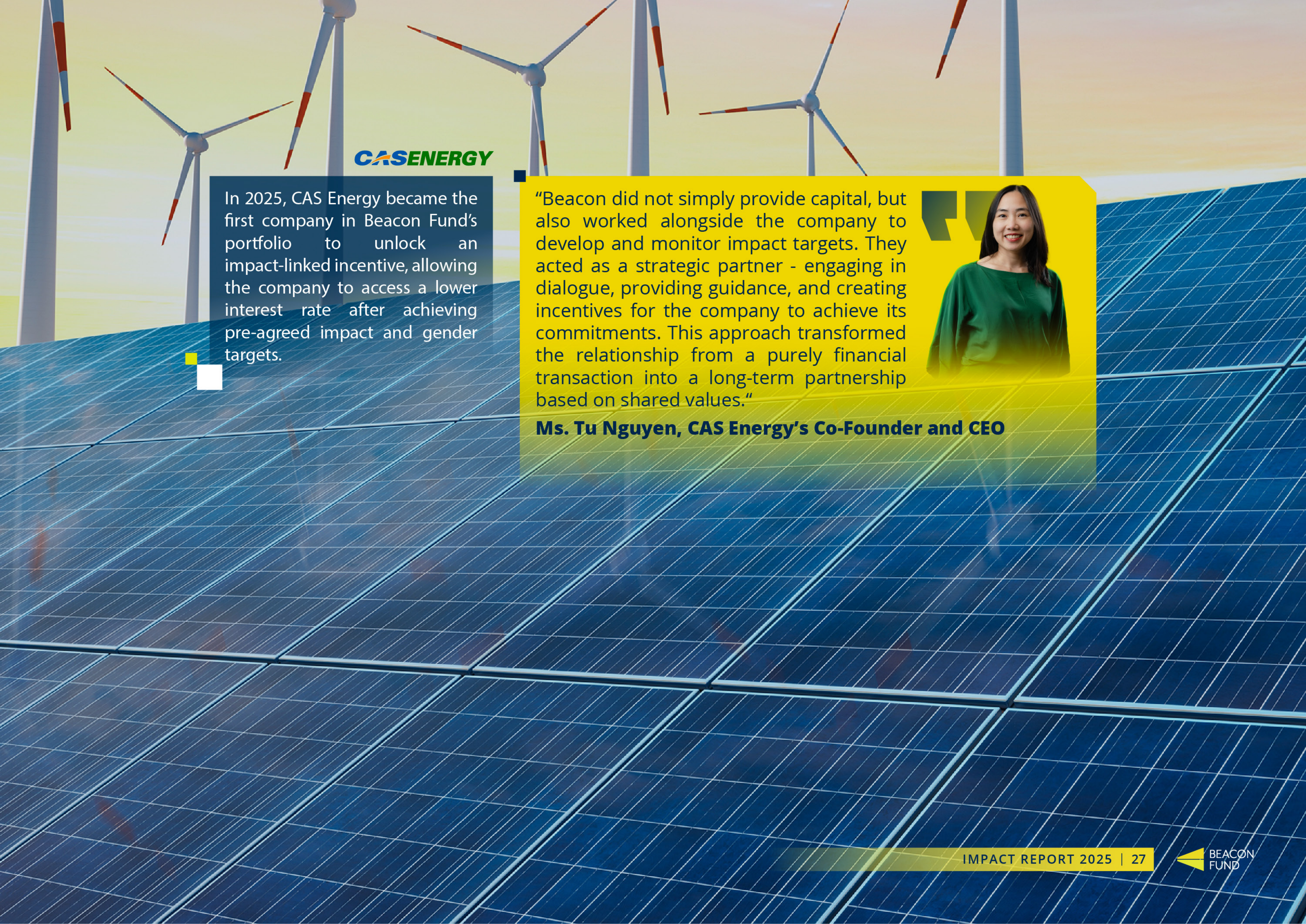
[VERIFICATION STATEMENT](#)

Photo: A screenshot of BlueMark Fund's ID Leaderboard from BlueMark's website

Assessment Pillar	Beacon's Rating	Sub-pillar
Impact Strategy	Advanced	▪ Clarity ▪ Safeguards ▪ Contribution
Impact Governance	Advanced	▪ Oversight ▪ Resourcing ▪ Accountability
Impact Management	High	▪ Screening & DD ▪ Monitoring & Management ▪ Review and Exit
Impact Reporting	High	▪ Completeness ▪ Reliability
Overall	Platinum 	



Unlocking[■] impact-linked financing with **CAS Energy**



CASENERGY

In 2025, CAS Energy became the first company in Beacon Fund's portfolio to unlock an impact-linked incentive, allowing the company to access a lower interest rate after achieving pre-agreed impact and gender targets.

"Beacon did not simply provide capital, but also worked alongside the company to develop and monitor impact targets. They acted as a strategic partner - engaging in dialogue, providing guidance, and creating incentives for the company to achieve its commitments. This approach transformed the relationship from a purely financial transaction into a long-term partnership based on shared values."

Ms. Tu Nguyen, CAS Energy's Co-Founder and CEO



Turning impact commitments into tangible incentives

In February 2026, CAS Energy became the first company in Beacon Fund’s portfolio to successfully unlock an impact-linked incentive under our financing structure. This approach links the cost of capital to measurable social or environmental outcomes, allowing companies to access improved financial terms when pre-agreed impact targets are achieved.

When Beacon invested in CAS Energy in 2024, the company committed to a set of impact KPIs focused on strengthening gender inclusion in its workforce - particularly through hiring and retaining female agricultural and/or electrical engineers and improving inclusive recruitment practices. These targets were especially relevant given the sectors in which CAS Energy operates, where technical and engineering roles have traditionally been male-dominated in Vietnam, particularly in rural provinces.

The timeline below illustrates how CAS Energy progressed from defining impact targets to unlocking the incentive.

CAS Energy’s impact-linked incentive roadmap

Jan 2024	Apr 2024	Jun 2025	Feb 2026	Apr 2026
Impact targets defined Gender-inclusive recruitment and retention of female agricultural and/or electrical engineers.	Investment disbursed Beacon provided financing to CAS Energy.	Implementation CAS strengthened recruitment practices and hired female engineers.	Verification Progress toward impact-linked targets tracked and verified.	Impact incentive achieved CAS qualifies for a reduced interest rate for the remainder of the loan term.

About CAS Energy



Photo: CAS Energy’s factory in Ninh Thuan province

Founded in 2008, CAS Energy is a women-led pioneer in renewable energy and climate-smart agriculture in Vietnam. The company supports Vietnam’s goal of achieving net-zero emissions by 2050. CAS Energy builds, owns and operates renewable energy projects, selling to both Vietnam Electricity Company (EVN) as well as other parties via Direct PPAs (Power Purchase Agreements).

The company also undertakes agricultural activities alongside selected solar projects, including combining renewable energy installations with circular organic farming.

CAS Energy has over 20 years of experience and around 25 MW of successfully completed renewable energy projects.

Website: <https://cas-energy.com/>

Leadership perspective: linking capital with impact

For Ms. Tu Nguyen, working with Beacon marked the company's first experience with an impact-linked financing structure. While sustainability and equal opportunity had long been part of CAS Energy's approach, the process required translating these into more structured, measurable practices - particularly in inclusive recruitment. Linking financial incentives to gender-related targets also created a practical way to encourage greater attention to gender equality as the company grows.

Importantly, this did not require a shift in strategy. As she noted, "values related to sustainable development and equal opportunity have always been part of how we build our company. What we needed to do was translate these commitments into concrete actions and measurable results." This included strengthening recruitment and talent development, and putting in place systems to track progress. While this came with challenges - such as ensuring consistency and transparency - it also helped improve internal processes and operational discipline.

Unlocking a lower interest rate brought clear business benefits. "It helps reduce our cost of capital, thus improving project financial performance and increasing profit margins," she explained, enabling the company to expand more quickly and reinvest in technology and people.

Beyond financial outcomes, the process also shaped how the company operates. "We have become more proactive in setting clear goals, measuring results, and assigning accountability," contributing to stronger governance. More broadly, **"linking business performance with social impact objectives has reinforced a culture that values long-term impact and a more sustainable foundation for the company's development."**

As a female entrepreneur in the renewable energy sector - still widely perceived as a technical field dominated by men in Vietnam -

Ms. Tu sees gender inclusion as both a personal and strategic priority. **"I believe that when women have more opportunities in technical and energy sectors, businesses benefit from more diverse perspectives, better decision-making, and more sustainable development."** While this experience did not fundamentally change her perspective, it reinforced that "when gender and social impact targets are linked to concrete financial mechanisms, companies have a stronger incentive to take meaningful action."

She also highlighted how Beacon's role differed from that of traditional lenders. "Beacon did not simply provide capital, but also worked alongside the company to develop and monitor impact targets," she noted. "This transformed the relationship from a purely financial transaction into a long-term partnership based on shared values."

Looking ahead, she emphasised the importance of designing impact-linked structures that support long-term value creation. "The most meaningful aspect is not only the interest rate incentive, but a mechanism that encourages long-term investment in people, technology, and communities." She added that such structures should be flexible across different stages of growth, while remaining clear and measurable - helping companies build a responsible and sustainable foundation over time.



Photo: Ms Tu Nguyen, Co-founder & CEO of CAS Energy

Voices from the field: Female agricultural engineers building careers in Ninh Thuan

While the impact-linked incentive created motivation at the company level, its effects are also visible in the experiences of employees.

In provinces like Ninh Thuan, agriculture remains a key part of the local economy. Yet technical roles in agriculture have traditionally been seen as physically demanding professions more suitable for men. As a result, women entering these fields often face stereotypes during their education and job searches.

To understand these changes more closely, we spoke with two agricultural engineers working at CAS Energy’s farm in Ninh Thuan - Tho Nguyen and Thanh Luong - who were hired and retained as part of the company’s impact-linked commitments with Beacon Fund. Both grew up in the province, studied agriculture in Ho Chi Minh City, and later chose to return home to apply their skills locally.

Photo: Tho Nguyen (left) and Thanh Luong (right), Agricultural Engineers at CAS Energy in Ninh Thuan Province



1. What influenced your decision to pursue engineering and return to your hometown?

Tho

I didn’t initially plan to become an agricultural engineer - I started in biotechnology because I wanted to return to my hometown and contribute locally. During university, a lecturer shared an idea that stayed with me: Vietnam is fundamentally an agricultural country, so agriculture should evolve through technology and innovation, which changed my perspective. I realised applying science to agriculture could make a real difference, especially in rural areas like Ninh Thuan. While most of my friends stayed in Ho Chi Minh City, I chose to return because I saw more room for development at home.

Thanh

I grew up in a farming family, so agriculture has always been close to me. When choosing a field of study, it felt both practical and stable. I also knew that if needed, I could always return home and apply my knowledge. While many people associate better opportunities with big cities, I chose to return to Ninh Thuan to contribute to my community and stay close to my family.

2. How did your university experience shape your ambitions?

Tho

In university, I shifted from medical to agricultural biotechnology and began focusing on areas like hydroponics and plant science. This helped me see how deeper technical knowledge could improve farming practices and support more advanced agricultural solutions.

Thanh

Once I chose agricultural engineering, I stayed committed to it. Although I heard some career stereotypes, they didn’t affect my decision. I remained focused on building a career in agriculture throughout my studies.

Photo: CAS Energy's factory in Ninh Thuan province



3. Did gender dynamics affect your experience?

Tho

Yes - especially during recruitment. **Many employers preferred male candidates due to the physical nature of the job. Even when I expressed willingness to take on fieldwork, there was still hesitation. In practice, the work does involve physical tasks, but it also requires attention to detail, where I believe women bring strong value.** Once I started working, gender differences became less of an issue, although I once heard a colleague say he preferred working only with men.

Thanh

Gender stereotypes were common, particularly during hiring. Many agricultural engineering roles explicitly preferred men - even in job descriptions - and I was often asked about physical strength during interviews. Some people also questioned why I chose agriculture, as it is often seen as a male-dominated field. However, after demonstrating my ability during trial periods, I was able to secure a position. Interestingly, at university, women actually made up the majority of my class.

4. What mattered most when choosing a job, and how does CAS Energy compare?

Tho

Being close to home and having a supportive work environment were most important to me. **At CAS Energy, the culture feels collaborative and respectful, without the gender bias I experienced before, where people assume that men work harder than women.** I also value the opportunity to learn across different areas - from crop cultivation to livestock and environmental practices - which helps me grow professionally.

Thanh

Job fit and benefits were my top priorities, followed by being close to home. At CAS Energy, I feel supported both professionally and personally. **The company offers flexibility for employees with families, which is important to me as a parent. It also provides meaningful benefits, such as gifts for employees' children on occasions like Children's Day, Mid-autumn Festival and Christmas - something I haven't seen in many other companies.** Working in renewable energy has also helped me expand my knowledge beyond agriculture and build confidence in my skills.

5. What was your reaction to the impact-linked hiring approach, and what still needs to change?

Tho

I found it very encouraging, as I had not seen this approach before. It can help create more opportunities for women and encourage companies to be more inclusive in recruitment. While hiring practices are improving, job opportunities in the sector are still somewhat limited, especially in smaller provinces.

Thanh

I think it is a meaningful initiative that can open more opportunities for women in agriculture. Going forward, I hope to see more job creation in the sector, along with continued efforts from companies to ensure fair and inclusive recruitment practices.



What drives our work forward each day is our team, each of whom brings different experiences and perspectives on what impact means in practice.

The reflections below offer a glimpse into how members of the Beacon team think about impact, based on their experiences working with entrepreneurs and portfolio companies over the past year.

Our Team





Shuyin Tang

Co-founder & CEO

What is your view on the idea that there is a trade-off between impact and financial returns?

That tension is real, and in my view, it makes little sense to ignore it or suggest you can simply “have your cake and eat it too”. Creating impact often does require trade-offs, particularly in the short term. The task is not to try to eliminate this tension, but to be acutely aware of it and manage it thoughtfully.

There is no perfect formula. It requires navigating the interplay between risk, return and impact with clarity and intent. We do not claim to have fully resolved this tension, but we do believe it is possible to find the right balance for our investors, our entrepreneurs and ourselves.



Lan Hong

Admin Assistant

How do you distinguish between genuine impact and good intentions? When is it not appropriate to label something as ‘impact,’ in your view?

I believe genuine impact is built through teamwork, not just good intentions. Over nearly three years at Beacon as an Admin Assistant, I have witnessed how collaboration across teams helps turn ideas into real outcomes. Even in an administrative role, I contribute by ensuring the office operates smoothly, fostering a positive working environment, and providing timely support so everyone can focus on delivering value. To me, impact is truly meaningful when it reflects shared commitment and brings about positive, lasting change in people’s lives.



Trang Ngo

Head of Impact & Communications

What does “success” in impact look like to you five years from now, beyond metrics?

For me, success starts with having a clear definition of impact and being honest about what it really means in practice. Beyond quantitative indicators, success is also reflected in qualitative changes: when our portfolio companies have the resources to grow and achieve their vision, and when they adopt responsible and impactful business practices - because they believe in them, not because they are required to. In reality, many SMEs we work with do not initially have strong awareness of ESG or impact. But over time, through partnership and support, we hope these ideas will no longer feel abstract, but become part of how companies run their businesses every day. These changes take time, but they are possible with commitment, a clear plan, and strong support from the broader ecosystem.



Ha Nguyen

Head of Legal

Can you share an example where impact considerations meaningfully changed an investment decision or engagement approach?

Last year, part of our portfolio required closer engagement between investors and management. As a private debt investor, moments like this naturally bring a tension between protecting creditor rights and supporting companies through short-term challenges. Rather than taking a purely enforcement-driven approach, we chose to work closely with the companies and other investors to better understand the situation and explore constructive adjustments that could support business continuity. For us, this reflects the kind of impact we aim to create - standing alongside entrepreneurs through challenging moments while remaining thoughtful and responsible stewards of our investors' capital.



Hoang Nguyen

Head of Credit

What is one impact principle you personally refuse to compromise on, even when it makes decisions harder?

In every investment consideration, I must carefully weigh a company's financial fundamentals against its ability to generate meaningful impact. A business may demonstrate strong profitability and ample cash flow to service debt. However, if it lacks a clear plan or even a basic awareness of sustainable development and its broader impact, whether on customers, suppliers, employees, or the environment, it is unlikely to pass our investment screening.

Conversely, a company that genuinely delivers positive impact must, by its nature, operate a sustainable business model and create tangible value for its shareholders.



Nguyen Nguyen

Investment Analyst

What does "rigorous impact" look like to you in practice, not in theory?

To me, rigorous impact is more than just checking boxes or filling out reports. In practice, it's about building real relationships and having honest conversations with the entrepreneurs we support.

It means looking beyond the spreadsheets to see how our funding helps a woman-led business thrive and create better lives for her team. To be truly rigorous, we have to listen deeply, measure what actually matters to the community, and stay committed even when things get tough. It's about making a promise to the "missing middle" and showing up to keep it every day.



Trung Nguyen

Investment Associate

What does “success” in impact look like to you five years from now, beyond metrics?

Five years from now, success in impact for me would mean women entrepreneurs having greater power, visibility, and access to capital across the ecosystem. Gender equality would no longer be a special focus but the norm, with women equally represented in leadership, investment decisions, and business ownership. More importantly, it would also reflect a fundamental shift in mindset among the investment community, recognizing women-led businesses as both a sound investment and essential to inclusive economic growth.



Giao Tran

Head of Portfolio Management

Can you share an example where impact considerations meaningfully changed an investment decision or engagement approach?

One example for me was my decision to shift my investing focus from venture capital to SMEs. While the venture capital space has many interesting aspects, I found that its structure and incentives often push investors toward moonshot or highly disruptive solutions rather than businesses that can make a more immediate difference in people’s everyday lives - something I had seen more directly in my earlier corporate experience. That experience made me reflect more deeply on what it means to create positive impact through capital. Joining Beacon felt like an opportunity to explore a different approach: supporting SMEs that serve everyday needs while pursuing grounded growth and stronger financial management. In many ways, this work is part of my ongoing journey to understand how I can be a force for good through my work.



Thanh Truong

Senior Investment Analyst

What has working closely with entrepreneurs taught you about delivering impact?

I often heard founders talk about the hardest periods of their journeys, especially during COVID and the uncertain years around 2025 shaped by geopolitical and economic shifts. One story stayed with me. When lockdowns hit, a founder shared that all of their retail partners closed and orders disappeared overnight. Yet instead of laying off the team that had been with him for more than seven years, he chose to pay their salaries from his own savings. Hearing stories like this reshaped how I see impact: sometimes it shows up not in growth metrics, but in the quiet decisions founders make when pressure tests their values.



Monique Lien Hill

Investment Committee Member & Advisor

What is the hardest impact-related trade-off you have had to think of through this year?

When looking to maximize impact in our loan origination, additionality is an essential factor, meaning lending where traditional lenders stay away for lack of established revenues and cash-flow and/or lack of collateral. Higher additionality meaning higher impact could result in higher repayment risk and jeopardize the sustainability of the loan portfolio.

This trade-off forces the right calibration of our willingness to absorb risk in order to create opportunity.



Richard Marney

Investment Committee Member & Advisor

What has working closely with entrepreneurs taught you about delivering impact?

I start by citing the definition of impact (OECD, 2019; IFC, 2019; GIIN, 2021) as the measurable, attributable change in social, economic, or environmental outcomes resulting from an intervention, in our case financial in nature. In practice, most entrepreneurs prioritize the strategic and financial health of their businesses. To the extent impact enters their thinking, it is often predicated on the health of the business rather than broader societal considerations. That said, we increasingly see recognition that support for positive impact - across areas such as gender, climate, and economic development - can also be “good for business.” This alignment allows development financiers to encourage a “double bottom line” - financial performance alongside positive social and environmental outcomes - often supported by technical assistance alongside financing.





Appendices

With every investment, Beacon works towards advancing women's economic empowerment in Southeast Asia and supporting the sustainable growth and resilience of SMEs.

In turn, our portfolio companies contribute to improved livelihoods for their employees, customers, and other stakeholders – and in many instances, enhanced environmental health. We are proud to be a catalyst for these businesses' growth, which in turn empowers thousands of women in Southeast Asia.

This theory of change guides the type of data and information we collect and analyse at the fund level and for each individual company.

APPENDIX 1

Our theory of change

Problem Statement

Only 10-20% of women-owned, women-led SMEs in Southeast Asia are able to access formal financing that meets their needs.¹ While an increasing amount of venture capital and private equity is being raised and deployed in Southeast Asia, such funding is only suitable for a narrow set of high-growth companies with exit ambitions. Other companies – even if they are profitable, cash-flow-positive businesses growing at healthy rates – are often overlooked. While debt can often be a better fit for such companies, banks in the region typically have a conservative lending approach highly focused on collateral. As for private debt, there are only a handful of active private debt funds in Southeast Asia targeting SMEs. Furthermore, very few of these actors have an explicit focus on gender. These factors have led to an estimated USD 32+ billion financing gap for women-owned, women-led businesses in Vietnam, Indonesia and the Philippines.²

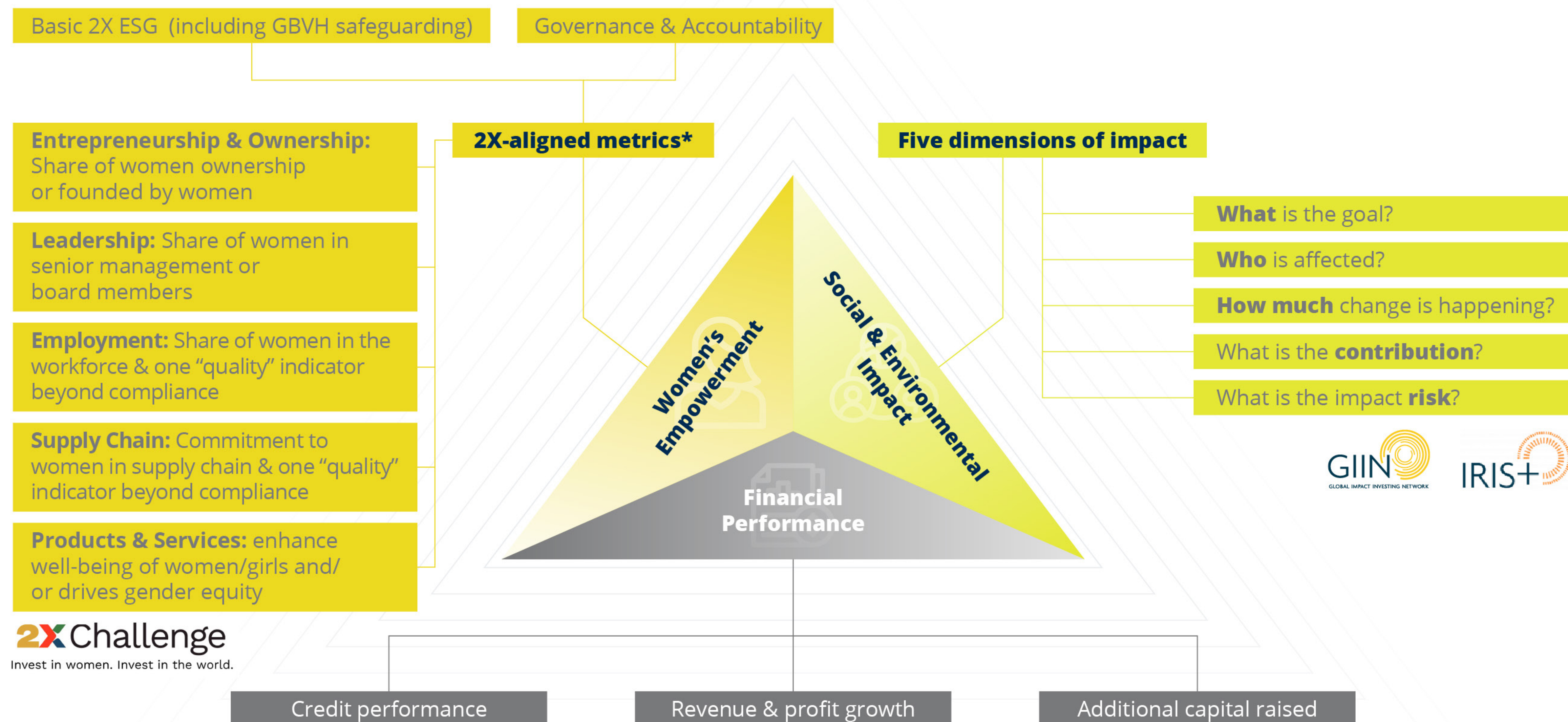
Activities	Outputs	Outcomes	Impact
- Provide appropriate capital (predominantly debt) to SMEs led by women and gender-diverse teams in SEA. - Provide capability building and value-addition support (including technical assistance, impact roadmaps) to our investees. - Consistently apply a gender lens in all aspects of our work.	Beacon's investees: - Access needed capital, allowing them to invest in the sustainable growth of their businesses. - Can build their credit history as well as capabilities to work with other investors and lenders. - Are supported in pursuing their social, gender, and environmental goals.	- An improved experience for SMEs led by women and gender-diverse teams seeking and receiving investment. - Strengthened investment case for GLI, particularly investment strategies focused on SMEs led by women and gender-diverse teams in emerging markets. - Increased recognition of alternative models of entrepreneurial success focused on sustainable and profitable growth.	- Advanced women's economic empowerment in SEA. - Improved strength and resilience of SMEs. - Improved livelihoods and environmental health. - Increased awareness of gender equality and responsible practices.
Indicators			
# of businesses led by women and gender-diverse teams invested in by Beacon. # of businesses led by women and gender-diverse teams accessing institutional capital for first time.	Amount of capital deployed in businesses led by women and gender-diverse teams – by Beacon as well as co-investors and follow-on investors.	# of jobs sustained / created, split by gender. - Customer satisfaction and advocacy (NPS) of entrepreneurs.	Database on gender, social and environmental impact and financial performance of Beacon's portfolio.

1. [MSME Finance Gap](#). IFC SME Finance Forum

2. [MSME Finance Gap](#). IFC SME Finance Forum

Zooming in: Individual portfolio company metrics

For each portfolio company, we collect gender, social & environmental impact, and financial metrics using the IRIS+ system as well as the 2X Criteria. As shown in the figure below, we seek to understand the relationship between women's empowerment, social and environmental impact, and financial performance. As we invest in diverse sectors, the specific metrics that we track may vary, particularly for the social and environmental impact dimension. However, every metric that we use is aligned with IRIS+ and the 2X Criteria. By applying a clear and consistent approach to metric collection from the beginning, we believe that we will be able to better measure, manage, and communicate our impact.



*Qualification under the 2X Criteria now requires all investees to meet the minimum requirements for basic 2X ESG, Governance & Accountability and at least 1 Criterion, and provide a formal, time-bound commitment to meeting another criterion.



Women's Empowerment

We draw on the [2X Criteria](#), the global standard for gender finance. These criteria are commonly applied as a baseline for investing with a gender lens across asset classes, markets, and regions.

Recognising that the 2X Criteria is a baseline - a beginning and not the final destination - we have adopted our own additional measurement practices around gender equality. For example, we track our customers' satisfaction and advocacy (e.g., Net Promoter Score) during their engagement with the Beacon Fund. This helps Beacon understand whether it is serving its target customers – businesses led by women and gender-diverse teams – by improving their experience of seeking and obtaining investment.

Our mixed quantitative & qualitative methodology is in line with the latest thinking in the gender lens investing field, which encourages us to go beyond counting women and towards valuing their experiences. After all, "social equity stems not only from improved access to resources and decision making but control over these aspects."³

Key IRIS+ Metrics:

- **Reducing Gender Inequities in Ownership, Leadership and Employment:** % female ownership (OI2840), number of female founders (OI8197), % female board members (OI8118/OI1075), % female management (OI1571/OI8251), % women in the workforce (OI6213/OI3160)
- **Customer Satisfaction Ratio:** Net Promoter Score (P17163)



Photo: One of Lotus Group's restaurants and its team

Beacon is one of the few funds globally that fulfills all 2X criteria as a female-led and -focused fund

The 2X Challenge is part of a global movement to mobilise more **funding towards women's empowerment**.

100% of Beacon's portfolio companies are women-led and owned, meeting the direct criteria set by the 2X Challenge.

Beacon itself is also a women-owned and women-led enterprise. We are also committed to diversity and gender balance in our own internal hiring processes.

In 2023, Beacon was accepted into the **prestigious 2X Ignite accelerator program** for the Asia-Pacific region, working with other 2X-aligned funds across the region to further hone our fund strategy and impact potential.

Our fund meets 2X criteria

✓ Entrepreneurship & Ownership	New Supply Chain
✓ Leadership	✓ Products & Services
✓ Employment	✓ Portfolio

3. [Process Metrics that Analyze Power Dynamics in Investing](#), Criterion Institute



Social & Environmental Impact

Beacon uses the 'Five Dimensions of Impact' framework as recommended by the Impact Management Project and the GIIN.⁴ Our deal team completes an impact and ESG assessment of each due diligence and recommends a set of IRIS+ metrics for ongoing tracking.

These metrics vary by company but focus on monitoring the 'What?', 'Who?', 'How much?', 'Contribution' and 'Risk' dimensions. We actively try to collect gender-disaggregated data where possible.

What?	What outcomes is the enterprise contributing to and how important are the outcomes to stakeholders?
Who?	Who experiences the effect and how underserved were they prior to the enterprise's effect?
How much?	What is the significance of the outcome in terms of scale, depth, and duration?
Contribution	Have an enterprise's and/or investors' efforts resulted in outcomes that were likely better than what would have occurred otherwise?
Risk	What is the risk that the impact will be different than expected?



Photo: HSVG's frontline staff serving customers at one of its retail stores

Financial Performance



To contribute to our goal of building the business case for investing in businesses led by women and gender-diverse teams, we also look at key financial metrics collected as part of our broader portfolio management activities. Such metrics include credit performance indicators, revenue and profit growth, and additional capital raised.

4. [IRIS+ and the Five Dimensions of Impact](#), Impact Management Project & the GIIN



Photo: CAS Energy's farm in Da Nang province

APPENDIX 2

Integrating ESG & Impact into investment process

Beacon Fund's commitment

Beacon Fund considers environmental, social, and governance (ESG) factors and impact objectives throughout the investment lifecycle, with commitments to:

- **Responsible investing and risk management:** We build ESG into due diligence and monitoring to protect value and strengthen our portfolio companies.
- **Gender lens investing as a core strategy:** We apply the 2X Criteria and prioritise support for women-led and diverse-led SMEs.
- **Supporting SMEs through private debt:** By focusing on SMEs - particularly those underserved by banks and equity investors - we use debt financing to provide the flexible, fit-for-purpose capital these businesses need to grow.
- **Delivering measurable impact in Southeast Asia:** Our financing model helps SMEs scale sustainably while creating positive outcomes for their stakeholders.

Our ESG & Impact principles

Beacon's approach is guided by the following principles:

- **Gender lens:** We put women's economic empowerment at the heart of our strategy, using the 2X Criteria as our benchmark. Each portfolio company is assessed against the five 2X Criteria: Entrepreneurship/Ownership, Leadership, Employment, Supply Chain Participation, and Products/Services benefiting women.

Current 2X qualification	Beacon's expectation	Illustrative support/action
3-5 criteria met	Maintain qualification level throughout the loan term.	▪ Monitor gender KPIs regularly. ▪ Encourage sharing of best practices with peers.
2 criteria met	Encouraged to meet one additional criterion during the loan period.	▪ Identify feasible new area for progress. ▪ Provide gender advisory support.
1 criterion met	Required to meet at least one additional criterion within 12-24 months.	▪ Develop joint improvement plan. ▪ Monitor progress quarterly.

- **Managing ESG risks:** We work with companies to identify and address ESG risks in ways that protect value and strengthen long-term resilience.
- **Practical support:** We focus on right-sized, practical solutions for SMEs in Southeast Asia - avoiding box-ticking and one-size-fits-all approaches.
- **Transparency:** We commit to clear and consistent impact measurement and reporting, building trust with our investors and portfolio companies.
- **Global standards:** We align with globally recognised frameworks, including the 2X Criteria, the 5 Dimensions of Impact (Impact Frontiers), and IRIS+ (GIIN).



Photo: Hoa Nang Organic team and its smallholder farmer partners

ESG & Impact integration into the investment process

ESG and impact considerations are integrated across the investment process rather than assessed at a single stage. This allows Beacon to identify potential risks early, assess alignment with its impact strategy, and monitor performance over time.

Investment process	Phase 1 Deal origination, screening & initial assessment	Phase 2 Due diligence & impact alignment	Phase 3 Term sheet	Phase 4 Investment committee	Phase 5 Legal agreements	Phase 6 Portfolio monitoring & exit
Key activities	- Understand founders' values. - Check 2X eligibility. - Identify ESG red flags (if any). - Identify early impact intention.	- Conduct deep ESG & impact analysis. - Confirm impact theme & alignment.	Formalise general ESG & impact commitment in Term sheet.	Present ESG & impact analysis using Five Dimensions of Impact in the IM for IC decision.	Finalise binding ESG & impact clauses (incl. KPIs) in agreements.	- Provide ongoing support. - Track performance. - Assess impact at exit.

Review and Continuous Improvement

Beacon’s ESG and impact integration approach is reviewed periodically to incorporate lessons learned, evolving practices, and feedback from portfolio companies and investors.



Photo: CAS Energy's farm in Da Nang province

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and dedicated to gender equality and social impact

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