Environmental, Social, and Governance practice that drive our Sustainable and Responsible Investment Policy

Current Date of Policy	Changes Made	Board Approval Date
June 2019	Policy Introduced	June 2019

Contents

1. Purpose
The purpose of this document is to set out the Policy of Telstra Ventures with regard to environmental, social and governance practice that drive sustainable and responsible investment.

2. Scope
The Policy applies to all of Telstra Ventures' assets in all jurisdictions where investments exist.

3. Policy
Telstra Ventures' investment mission is to achieve the best financial outcomes for its Limited Partners, subject to maintaining risk at an acceptable level and upholding high standards of Environmental, Social and Governance (**ESG**) practice.

Telstra Ventures considers venture capital to be a long-term investment and believes it appropriate to invest over a long-term time horizon. Telstra Ventures' funds aim to maximise risk-adjusted returns over the long-term and will not pursue strategies that put the sustainability of long-term returns at risk.

Telstra Ventures believes that ESG factors may affect investment risk and return over the medium to long-term i.e. poor ESG practices are likely to give rise to unrewarded investment and reputational risks, whereas good ESG practices may give rise to more sustainable investment returns.

Telstra Ventures believes incorporating ESG factors into investment decision making is part of good risk management and making better investment decisions. Telstra Ventures therefore has a preference for investments with good ESG credentials provided there is no compromise on expected risk-adjusted returns for the portfolio.

The Telstra Ventures Partners and Board may determine that certain assets, industries or activities with undesirable ESG or ethical credentials are to be excluded from its investment portfolio where the exclusion is aligned with the investment mission of Telstra Ventures' funds, is implemented in a rigorously defined manner, and is not expected to have a material detriment on risk-adjusted long-term investment returns for the portfolio.

4. Implementation and Delegation
The role of the Telstra Ventures Partners and Board is to set the beliefs and Policy for the Telstra Ventures funds with respect to sustainable and responsible investment, and to make determinations about any investments to be excluded from the portfolio.

The Partners are responsible for the implementation of this Policy. The Partners provide direction to Investment Managers on the processes, procedures and strategies to be followed in the implementation of the Policy.

Telstra Ventures' Partners use best endeavours to ensure that investment mandates, incentive structures and monitoring frameworks are established in a consistent manner with this Policy.

Telstra Ventures recognises that the execution of ownership rights including voting and engagement can positively influence risks and returns. Consequently, where practical, Telstra Ventures' Investment Managers ensure that ownership rights are exercised in a manner that is consistent with this Policy.

5. Policy Review and Reporting

5.1 Policy Review
Telstra Ventures acknowledges that sustainable and responsible investment is an evolving area and the approach to sustainability as well as the implementation of that approach needs to be monitored.

This Policy will be reviewed at least every two years by the Chief Compliance Officer to ensure it remains appropriate.

The review of the Policy is to include an assessment of the Fund's sustainability approach to ensure it is appropriate and effective. All amendments must be recommended by the Partners to the Board for approval.

5.2 Policy Reporting
The Partners must report to the Board on the progress of the implementation of the Policy on an annual basis. The Policy will be made available via the Telstra Ventures website.