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BUSINESS
..... AS A
FORCE  GOOD



Benefit Report

2017

Introduction

Keene Advisors is a socially responsible investment bank. 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 2017. We hope that you enjoy learning about Keene Advisors and our journey to become the leading socially responsible investment bank.

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Letter From Our Founder and President



Keene Advisors made great strides in 2017, continuing to build our investment banking business and, with it, our ability to deliver on our social mission. We advised clients on M&A and capital raising transactions across a range of industries, including consumer, food, renewable energy, and agricultural technology. Over 75% of our client engagements were in the service of other social enterprises or impact-focused investors. We are grateful to our clients and friends that contributed to our success in 2017.

Our team was relentless in pursuit of clients' success again in 2017. Without their incredible efforts, none of the progress on our public benefit would have been possible.

A few highlights of our public benefit in 2017:

- Continued to support other social enterprises and impact-focused investors on capital raising and mergers & acquisitions transactions
- Named a *Best for the World* 2017 honoree by the non-profit B Lab
- Launched *The Impact Journal*, a publication for social enterprises and impact-focused investors focused on capital raising and M&A transactions in the social enterprise sector
- Increased volunteer hours per employee by over 3x
- Offset over 6,200 lbs of CO₂ in partnership with fellow B Corp, TripZero
- Continued 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 2017 and I am excited about the future that lies 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 investment bank, 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 journey of a thousand miles begins with the first step.”

- Lao Tzu

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, legislated in 33 U.S. states and the District of Columbia, 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 2,100 Certified B Corporations in 60 countries and spanning 150 industries.

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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.

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 2017

In 2017, we focused on delivering outstanding advice and service to our clients while also pursuing new business opportunities and growing our overall social impact. In our 2016 Benefit Report, we outlined five social benefit-related goals for 2017. The following is a summary of our performance against each of those goals.

2017 GOAL	PERFORMANCE
<i>Achieve our Diversity & Inclusion Challenge goals</i>	Implemented diversity and inclusion training and a professional development program for all employees in 2017.
Increase our charitable giving by >50%	Missed our charitable giving goal
Increase our volunteer hours by >50%	Increased by over 200%
Expand our impact with B Corporations and other social enterprises	Launched <i>The Impact Journal</i> ; helped organize, and presented at, the New England B Corp Leadership Development retreat
Make tangible gains in our ability to measure and reduce our environmental impact	Offset over 6,200 lbs of CO2 via fellow B Corporation TripZero

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. We encourage diversity, innovation and compassion. We seek to provide 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 and telecommuting 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 2017, our team proudly volunteered at: the BUILD Entrepreneurs Games and Generation Citizen's Civic Day; provided training and an internship opportunity for high school seniors through Upward Bound at Boston University, lectured in a Social Entrepreneurship course at Framingham State University; and, volunteered to help plan and organize the 2017 New England B Corp Leadership Development retreat.



The Inclusion Challenge

The Inclusion Challenge

In 2016, B Lab issued The Inclusion Challenge to the entire certified B Corporation community. As part of the challenge, B Lab defined an inclusive economy metric set to help companies focus their efforts to create an inclusive economy by creating opportunity for all, reducing inequality, and improving their performance on inclusion and diversity. We identified three specific metrics to focus on for becoming more inclusive.



1

Diversity & Inclusion Trainings

Does your company provide specific content in worker training on inclusion and diversity issues related to any underrepresented group?

None of us are without bias, and creating an inclusive work environment will support both recruitment and retention of a diverse workforce, making for a more effective workplace.

2

Professional Development

What percentage of full-time workers have participated in external professional development or lifelong learning opportunities in the past fiscal year?

Upward mobility is as necessary as a living wage to foster inclusion. Employer-supported professional development can be a powerful accelerator of upward mobility, giving all employees access to new skills and opportunities.

3

Board Diversity

What percentage of your Board of Directors (or equivalent) are women or individuals from other underrepresented populations?

Board diversity demonstrates inclusive leadership, recognizes the value of different experiences and perspectives in decision-making and can drive more inclusive business practices.

In 2017, we implemented diversity & inclusion training and professional development programs for our entire team but did not add any new directors or advisory board members. *The Inclusive Economy Challenge* was an excellent learning experience for Keene Advisors and represents just the beginning of our journey towards a more diverse and inclusive company.

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



1,474 insecticidal nets to protect 2,653 people in Uganda from malaria



450 meals for people in need in the Greater Boston Area



Support for children seeking refuge from the Syrian war



Clean water for 35 people in rural communities in developing countries



Educational support for children in the Detroit area



Food fortification for 809 people in African countries for a year



Food for 10 Syrian refugee families for a month



Clothes and supplies for children in Greater Boston



Meal service to homeless veterans in Boston



Financial literacy workshop for Boston area students



Guest lectures at Boston area universities



Career development for college bound students



Leadership development for the B Corp community



Offset over 23,000 lbs of carbon dioxide

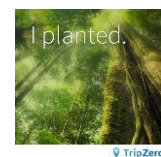
Reducing Our Impact on the Environment

Feedback from the Preliminary B Impact Assessment

We are focused on three core focus areas to reduce our impact on the environment: (1) measuring and reducing our carbon footprint, (2) practicing responsible consumption, and (3) practicing responsible procurement. We made tangible changes to our business practices in 2016 to address these focus areas and continued these practices in 2017.

1. Measuring and Reducing Our Carbon Footprint

In 2017, we continued in our effort to reduce our carbon footprint by continuing the policies and best practices we established in 2016, including booking travel through TripZero, whenever possible and economically viable. TripZero tracks and eliminates the carbon footprint from our travel (air, car or train) and hotel stays for no cost.



In total, we offset over 6,200 lbs of CO₂ in 2017

Our team continued to benefit from the decision to relocate our offices to Boston by running, walking and biking to work during many summer, fall and spring days.

2. Practicing Responsible Consumption

We continued operating a nearly paperless office by maintaining cloud-based storage solutions for all of our records, and the vast majority of our client communications, including engagement letters and our billing which is done electronically.

3. Practicing Responsible Procurement



In 2017, we continued to purchase office supplies from fellow B Corps whenever possible.

Our Goals for 2018

Goals for 2018

While we made progress in our efforts to provide a public benefit during 2017, we are focused on continuously improving across every aspect of our business. In 2018, we are focused on continuing to expand and improve our services to clients all while increasing our social impact.

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

1

Diversify revenue and develop a stable profit model – profits help drive our social benefit

2

Increase our volunteer commitment and impact

3

Continue to support the growth of the B Corporation movement and the broader social enterprise ecosystem

Letter from the Benefit Director

In 2017, Keene Advisors continued to make strides in their efforts to produce a lasting benefit. For example, they impressively tripled their volunteer hours per employee, offset over 62,000 lbs of CO₂, 75% of their new client engagements were social enterprise, they were named a *Best for the World* honoree by the non-profit B Lab, Keene launched *The Impact Journal*, a publication for social enterprises and impact-focused investors, and continued to be strong advocates for the benefit corporation movement. I watched as the Keene Advisors team worked tirelessly to implement thoughtful actions, moving beyond the minimum Benefit Corporation requirements of the Commonwealth of Massachusetts and B Lab. Their goal remains bold, to become the leading socially responsible investment bank in the world, and I think they continue to prove their actions speak louder than words. As demonstrated on page 14, Keene Advisors has fulfilled the Commonwealth of Massachusetts' requirements for benefit corporation certification. I am pleased to report that, in my opinion, Keene Advisors has continued to act in accordance with its values and Benefit Corporation standards of conduct. I look forward to seeing, and sharing with you, impacts of the Keene Advisors team in 2018.

D. Scott Borden (PhD), Benefit Director
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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 7-12
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 7-12
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 14
The compensation paid by the benefit corporation during the year to each director in the capacity of a director	\$500
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 14
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

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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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