

Economic Growth Fund: Creating jobs and increasing GDP.

As a community, we will take charge of our economic future. We will drive economic development and generate solutions that make sense for our community. We will live in a region where business thrives, whānau have access to sustainable and well-paid jobs, and communities prosper.

OBJECTIVES OF THE FUND

This fund is designed to allow ECT to deliberately intervene by investing in new and growing businesses – creating jobs and increasing GDP. This is a contestable fund used to provide capital and/or loans to:

- Retain and expand existing businesses.
- Establish new businesses.
- Attract outside business and resources to our region.
- Plug market failure in the local economy.
- Connect our region to national and international markets.

PREFERENCES FOR FUNDING

We are looking for projects with the potential to create sustainable, well-paid jobs, enhance business diversity and increase GDP. Because we value innovation, there is considerable flexibility within this fund. However, we prefer sectors with high revenue and employment multipliers that align to the region's key economic drivers:

- Wood.
- Digital/Technology/IT.
- Agriculture.
- Education to Employment.
- Horticulture.
- Apiculture.
- Entrepreneurship and Innovation.
- Tourism.

The organisation should have excellent governance and management practices, a robust strategic plan, a sound financial position, and a proven ability to deliver.

The investment case should be compelling and demonstrate an understanding of the impact the project will have on the region both at an economic and a social level. It should also outline an exit strategy for the Trust.

We are particularly interested in:

- Projects where private investment doesn't meet an investment threshold - market failure is apparent.
- Social enterprise - purpose-driven organisations trading to deliver social and environmental impact.
- Capital/equity or debt investment into public or private companies.
- Investments which recycle capital back to the Trust.
- Investments where ECT is contributing 50% or less of the total cost.

DEADLINES

Always open.

APPLICATION PROCESS

The application and decision-making process has three steps. The time frames can be project specific, but applicants should be prepared for a 12-week process.

Step One - Tell us about the opportunity.

1. Meet - We prefer to meet and discuss the project and our investment criteria before you apply. It's not compulsory, but we know that time can be valuable.

2. Apply - The application should come in the form of an investment proposal.

Step Two – Internal review of the opportunity.

Our direct investment team (management with the guidance of the Audit and Risk Committee) will complete an initial review of your proposal, which is then presented to the Board for approval to move to due diligence.

Step Three – Due diligence.

Assuming your project has passed an initial review, ECT will complete a detailed due diligence to validate the proposal. Depending on the scale of the investment, this may require external expertise and the supply of additional information. The result of this work is presented to the Board for an investment decision.