

Sustainable Accelerator

Impact Report 2021



Foreword



Andrew Wordsworth
CEO & Managing Partner

As the world emerges from the Covid-19 crisis, the need to urgently address the challenges of climate change and resource scarcity has never been greater.

Despite the continued rise in global temperatures since the creation of the United Nations Framework Convention on Climate Change (UNFCCC) 30 years ago, action has lagged behind political rhetoric. Now the world is changing rapidly with stakeholders in a net zero future demanding a new approach. Investors are committing to Environmental, Social and Governance Investment (ESG) approaches reflecting the early evidence suggesting that Sustainable Investing outperforms the market.

Sustainable Ventures recognises that addressing the challenges of climate change and resource scarcity is a complex task, involving actors from across all sectors, industries, governments and through encouraging a culture of collaboration. Despite this complexity, we believe that financial returns are enhanced by companies delivering strong environmental and social impact.

We are privileged to work with hundreds of entrepreneurs developing solutions that promote prosperity while protecting the planet. Sustainable Ventures have now launched, invested in and provided support services to over 250 cleantech companies.

This is our third annual investment portfolio impact report, covering the impact delivered by each of the companies within our three investment cohorts against the UN Sustainable Development Goals (SDGs). Our impact thesis is core to our investment approach; with every investment we aim to catalyse solutions that are scalable, solving pressing challenges (rather than solutions searching for a home), and creating material (Vs. incremental) impact. In doing so we ensure they are inherently built to significantly contribute to the SDGs. At Sustainable Accelerator, we work with each of our portfolio companies to help them define their theory of change, understand the breadth and depth of their impact, and clearly articulate their outcomes.

We hope that this report will provide insight on the range of commercial solutions being developed and scaled by these exciting start-ups and their innovative teams, and also encourages you to continue your support as we all move towards a net zero society.

Our Vision

A world where climate change and resource scarcity are addressed by commercial solutions.

Our Mission

To develop 1,000 Cleantech businesses by 2025.

8
Ventures launched

27
Investments

255
Start-ups in Ecosystem

2,000+
Companies in our wider ecosystem

£9.8m
Non-dilutive funding secured

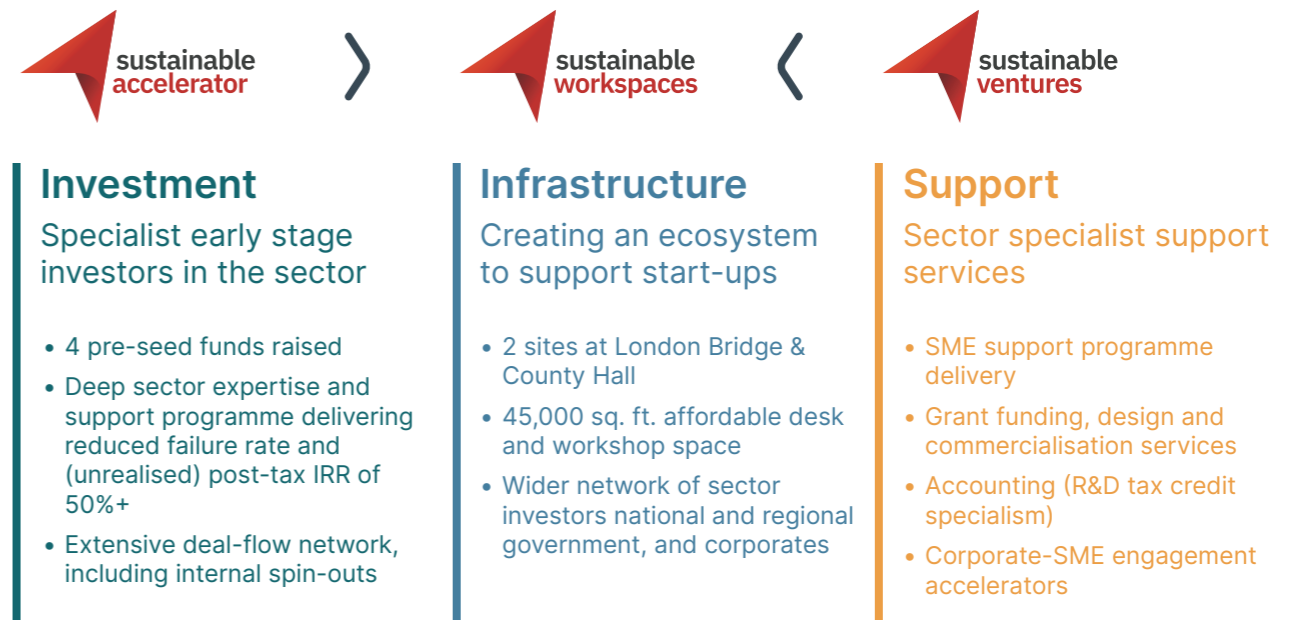
£32m
Follow on funding secured

Introduction - Sustainable Ventures

Sustainable Ventures was established in 2011 with a vision of the world in which climate change and resource scarcity are addressed by commercial solutions.

Since then we have launched 8 companies, invested in 27 and provided support services to over 250. We've created a unique ecosystem of support underpinned by our workspaces sites, with a wider network of over 2,000 start-ups and scale-ups.

Our support helps them to grow and successfully bring their solutions to market, creating lasting sustainability impacts.



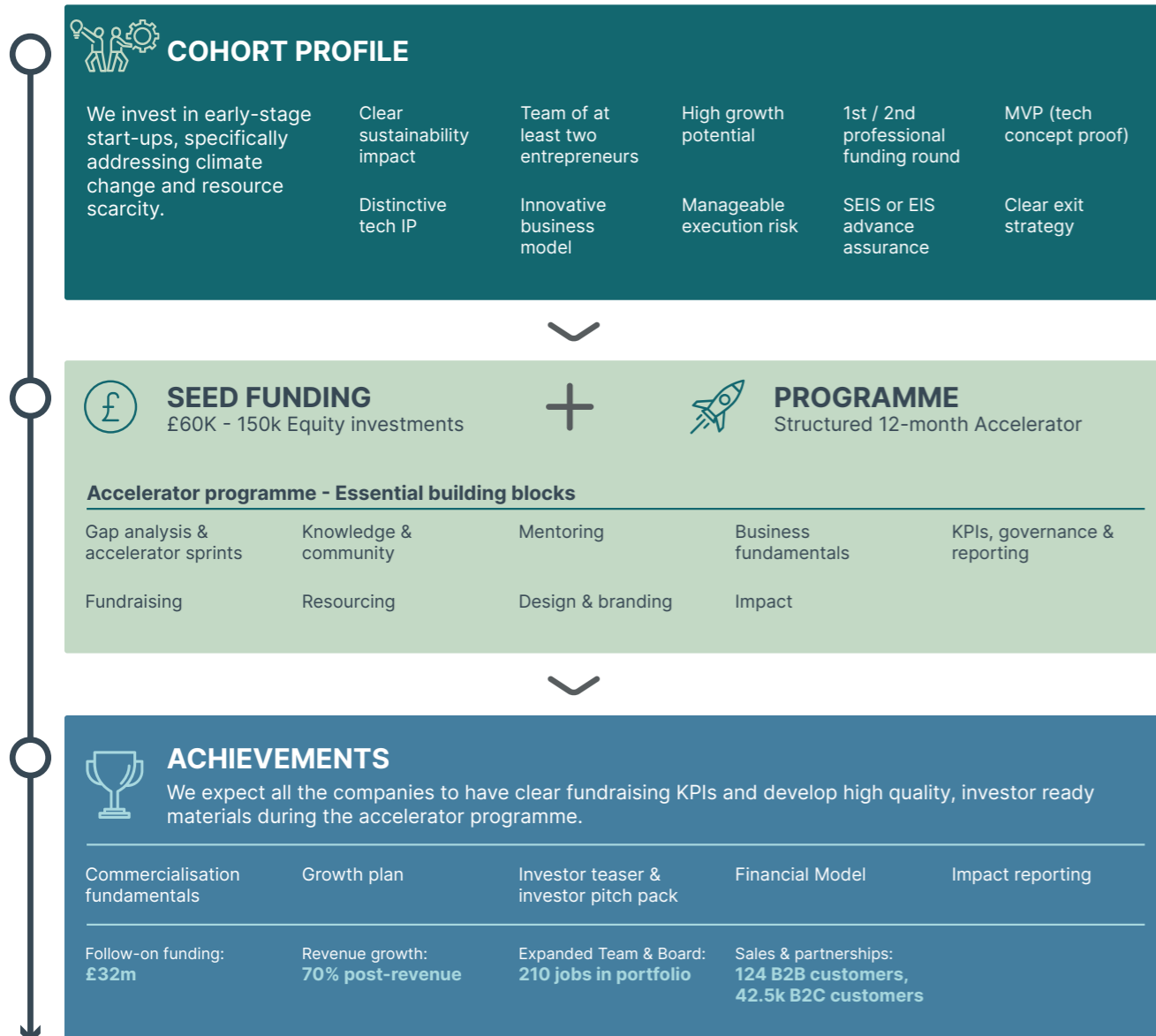
Internal Venture Development
Creating commercial spin-out ventures

Integrated support eco-system built around co-working infrastructure and accelerator.

The Sustainable Accelerator Offering

We invest in early stage start-ups, specifically addressing climate change and resource scarcity.

Sustainable Accelerator provides a unique blend of equity investment together with expert commercialisation support. We leverage our sector network to identify high potential technologies and coachable founders which will gain momentum from equity investment leveraged by our Accelerator programme.



“We chose Sustainable Accelerator to be a part of a community that really understands the need for a sustainable future.

The plethora of opportunities they have sent our way and moving into the Sustainable Workspaces and building relationships we wouldn't have otherwise built, has helped us learn much more than we could have hoped for.”

Good Club

The Sustainable Accelerator Portfolio

27 Investments across four funds*.

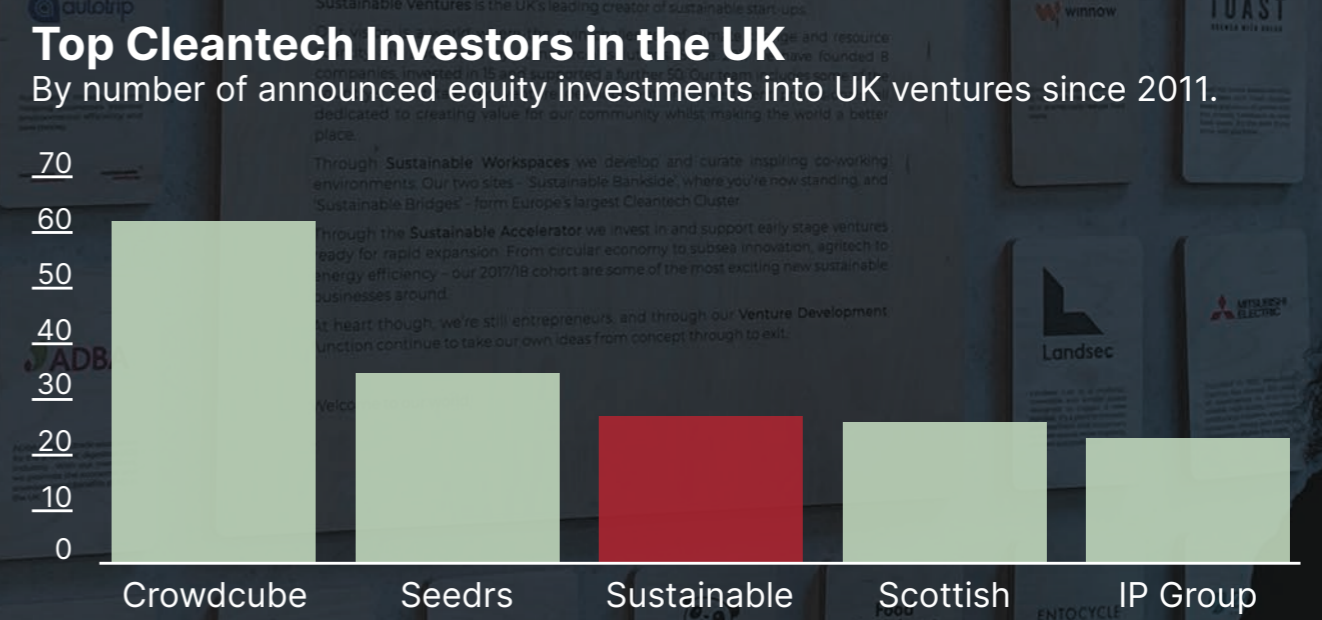
£3.2M	£32M	3x	19
Investment fund size	Further funds secured (since Oct 17)	Average valuation uplift within 2 years	Post-revenue



*Only funds 1 - 3 are included in the impact assessment reporting.

Outside of Crowdfunding, we are the most active Cleantech investor in the UK.

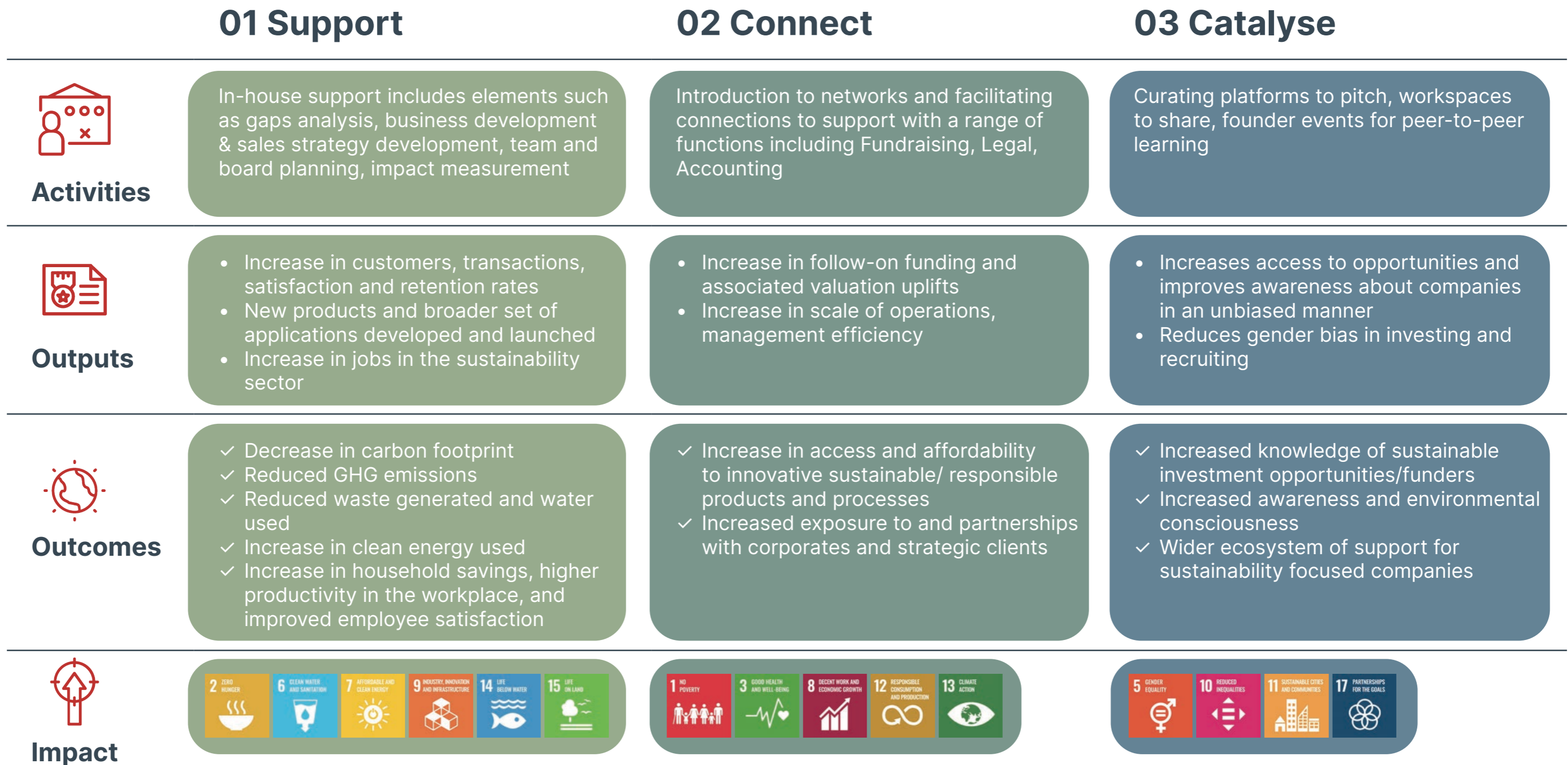
Source: Beauhurst, April 2021



“The Accelerator is there to help with the challenges that we share, with companies across the cohort. Thanks to the accelerator, we’ve had a year’s worth of access to a team that’s “done it before” when building their own companies and startups in the previous batches. That means that we could focus on the technical and market tasks that we’re best at.”

Thermulon

Sustainable Accelerator's Theory of Change



Sustainable Accelerator's Impact

Outputs



2016

Total SA Investors in across 4 funds

27

Investments made

£3.2m

Amount invested

Outcomes



96%

Still trading

70%

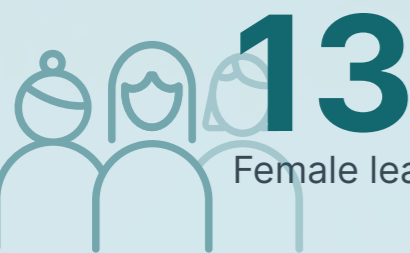
Post revenue

210

Jobs in portfolio companies*

124

B2B customers impacted**



13

Female leaders

x3

Average valuation uplift



£32m

Further funds secured across grant, equity & debt

42.5k

B2C customers impacted**

*as of May 2021

** Across Funds 1 - 3, as of May 2021

Case Study - Rovco

Rovco streamlines subsea surveys for the global offshore renewables and oil decommissioning markets.

Rovco is a rapidly growing international subsea technology company with live 3D vision (SLAM), machine learning, and robotics technologies deployed in the offshore wind and oil & gas sectors.

Sustainable Accelerator worked with Rovco on a range of support services including:



Fundraising

- Successfully introduced them to our network of investors leading to a successful Seed round.



Board planning

- Support in building a non-executive board



Global VC landscape review & mapping potential routes to exit



Impact Reporting



Mentorship

Rovco are supported by Sustainable Ventures through our Sustainable Accelerator Fund 1. Preparing for Series B fundraise.

£9m

Funding secured

42

B2B clients

x10

Company valuation uplift *

Awards

Nominated by OREC as Game Changing & New Enterprise of the Year, Subsea UK

57

Team members and establishing board

* Increase in the value of the company, not the share price

Image courtesy of Rovco, © 2021

Case Study - Sunswap

Sunswap decarbonise the cold chain, with zero-emission transport refrigeration.

Sunswap offer a zero-emission alternative to diesel Transport Refrigeration Units (TRUs) with energy prediction, Adaptive Battery Capacity™ and solar power, replacing diesel powered refrigeration.

Sustainable Accelerator worked with Sunswap on a range of support services including:



Grant application and mentorship



IP and digital product management strategy



Mentorship



Fundraising

- Valuation, metrics and cap table development
- Financial modelling and pitch deck development
- Crowdfunding campaign



Team & Board planning

- Resourcing gap analysis and team development plan
- Board structuring and establishment



Design and marketing support

Sunswap are supported by Sustainable Ventures through our Sustainable Accelerator Fund 3.

£867k

Funding secured to date

5

Team members and establishing board

x2

Company valuation uplift *

MVP

Built and operational test rig at SW; 2 MoUs with global logistic clients

1

Patent filed

* Increase in the value of the company, not the share price

Our commitment to diversity

Sustainable Accelerator has worked towards increasing diversity across the investment portfolio as well as within the internal team.

Sustainable Accelerator currently has 10 female leaders across our 3 funds, and have increased this further to 13 with the initial investments from Fund 4.



Mira
Biophilica



Arti
Zeigo



Alyssa
DryGro



Molly & Sian
Albotherm



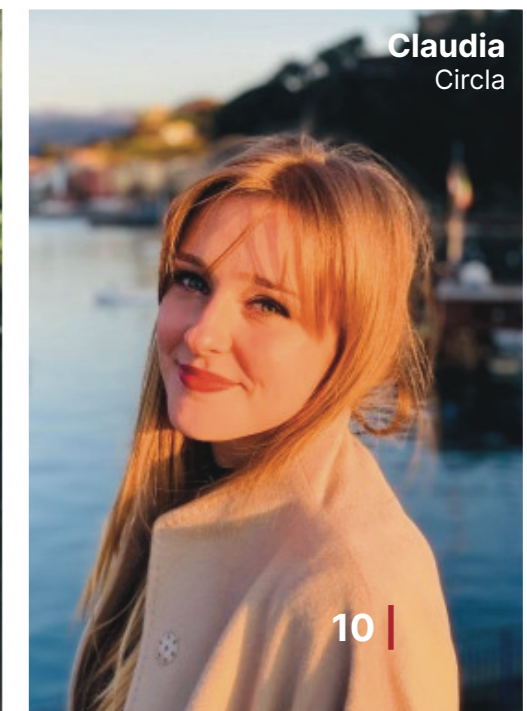
Arabella
Petit Pli



Ann
DryGro



Rozalie
Thermulon



Claudia
Circla



Following the launch of the Investing in Women Code in 2019 Sustainable Accelerator became an early signatory and on-going support of the Code. The Code is a HM Treasury initiative set up following the Alison Rose Review into female entrepreneurship.



In celebration of International Women's Day (IWD), Sustainable Accelerator hosted a virtual event bringing together women leaders from our portfolio companies to share their journeys. The theme of IWD2021 was '#choosetochallenge' and Sustainable Accelerator continues to #choosetochallenge the diversity deficit in investment.



This year we were inspired to launch a new 'Women Leaders in Cleantech' series of events aimed at building a stronger community of support and equitable access to opportunities.

Sustainable Accelerator in the pandemic

The Covid-19 pandemic forced changes in all our daily lives and working practices.

Sustainable Workspaces boasts one of Europe's largest sustainability start-up communities - a fun and thriving place for entrepreneurs to learn, share and grow. The peer-to-peer learning and sharing that would normally happen in this space were naturally adversely affected by the pandemic.

During the year, Sustainable Accelerator hosted dozens of virtual events to keep our community connected and supported, as well as to continue to create new network connections with investors, peers and mentors.

Events ranged from pitching events, investor panels to emergency information sessions on pandemic related topics such as furlough, CBILS and other government support. We also worked to keep our entrepreneurs connected to each other whilst they could no longer meet-up in person - our CEO and CTO sharing sessions brought together founders and technology development leads to share their key challenges and learnings along their journeys. These evolved into circles for companies sharing similar challenges or development phases.

Whilst the pandemic created enormous challenges for all of us, it also led to new and innovative ways to share and connect many of which will continue as part of a new set of more efficient and low-impact communication options for the future.

“Despite disruptions due to the pandemic, the Accelerator team consistently provided us with huge support.

In our crowdfunding round in Q1 2021, we successfully raised £500k in just 4 days. It simply would not have been possible to succeed in the early stages of the business without this investment and support.”

Sunswap



Portfolio Impact

Impact Measurement Approach

We recognise that addressing the challenges of climate change & resource scarcity is a complex task, involving actors from across all sectors, industries, governments and through encouraging a culture of collaboration.

All Sustainable Accelerator companies report their impact performance against the UN Sustainable Development Goals (SDGs) and aligned with the IRIS+ impact management and measurement framework.



Our reports uses a **Theory of Change** methodology, reporting on the impact chain that drives positive outputs and outcomes.

Theory of change

A ‘theory of change’ identifies what a company is doing, and how this will drive change which impacts its beneficiaries and the wider environment – it is the company’s “impact chain” which links the company’s activities to their outputs and outcomes.

Outputs

Outputs are the immediate results of the company’s activities (e.g. services supplied, goods distributed) which are delivered to their beneficiaries.

Outcomes

Outcomes represent the actual social and environmental benefits achieved which are absorbed into beneficiaries’ lives. In the following analysis we have linked this to the 17 SDGs and their 169 sub-targets.

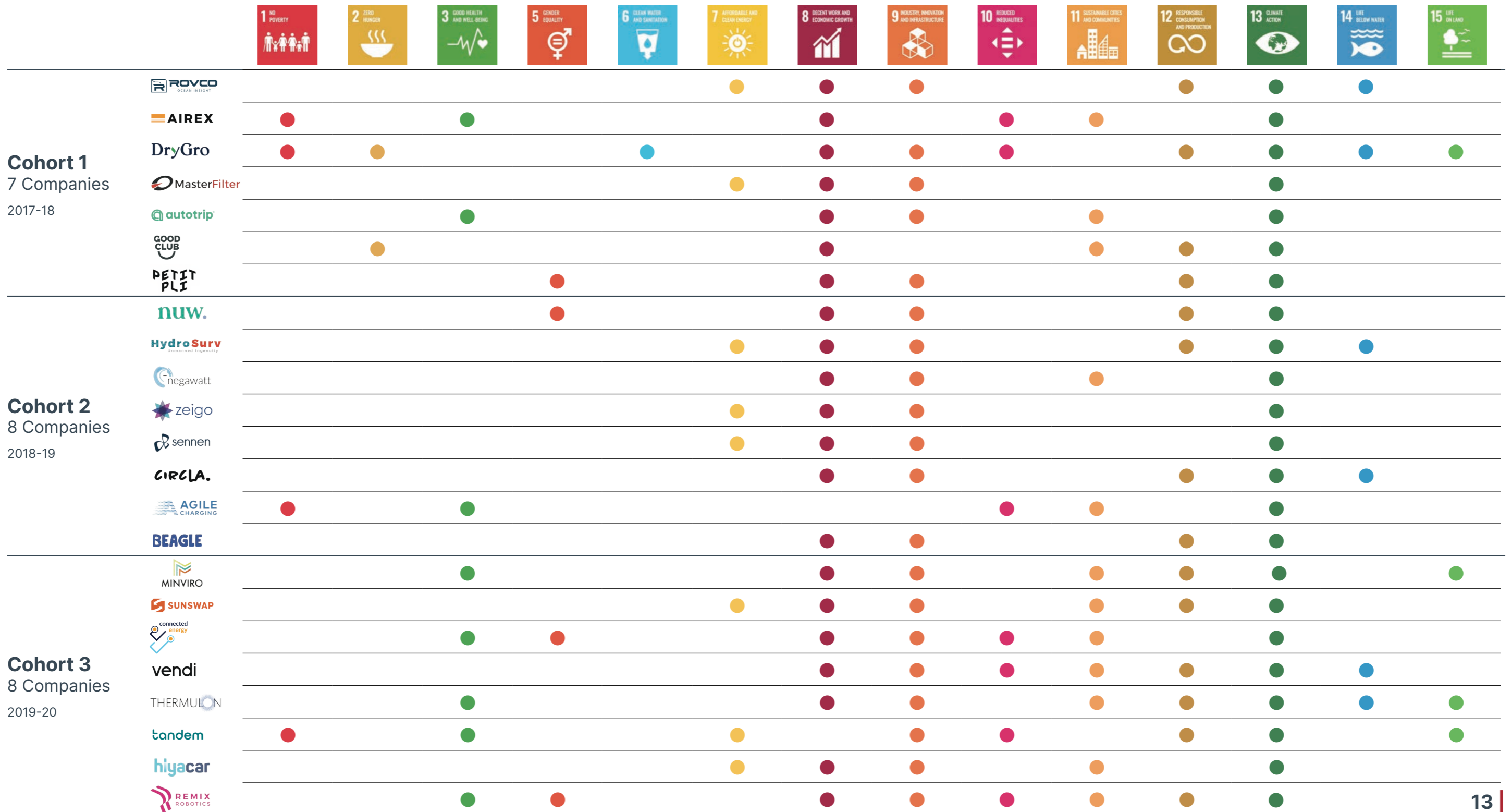
Glossary

“Sustainable Accelerator was the perfect match for Circla. The vast sustainability focused community and actual availability of support were incredible, and when we compared it to other accelerator programmes it really didn’t have a match.

They also understand the uniqueness of you being a sustainable start-up we’ve done a lot of work with them in understanding the real tangible benefits of a customer using Circla, and it’s very hard to find that expertise anywhere else.”

Impact Story

Fund 1 - 3 cohorts contributing to 14 of the UN Sustainable Development Goals.



Case Study - AirEx

Smart ventilation for heating energy efficiency.

AirEx is a cloud-based, intelligent ventilation control system that dynamically controls air-flow, enabling significant heating energy savings without compromising moisture build-up and indoor air quality.

SDGs and Impact

Since beginning operations in 2019:



7.1 tCO2

Lifetime saving per home and successfully achieved c. 1,400 tonnes of CO2 (through 200 homes installs).



12-16%

Heat loss reduction per house, validated by trials sponsored and supported by EDF.



£100-150

Reduction in household energy bill per year.



AirEx are supported by Sustainable Ventures through our Sustainable Accelerator Fund 1.
*All impact data on this page is correct as of May 2021.

~£2m

Funding secured to date

6

Grown the team to 6 and set up a board

8

B2B clients

£650k

In commercial contracts, and have an ongoing partnership with EDF

1st

Technology to be approved under ECO3 scheme: deliver SAP point improvement on EPCs

Awards

Awarded a place at the Shell StartUp Engine programme (organised by Shell & Unreasonable)

Accolades

- Cleantech StartUp of the Year, Business Green Building Technology Award, 2017
- Building Technology of the Year, Business Green Building Technology Award 2018
- Women in Innovation Innovate UK Award 2019
- RAEng (Royal Academy of Engineering) SME Leaders award 2020
- Business Cloud's London Tech 50, 2020
- Tech Nation's Net Zero top 30, 2020
- Shell StartUp Engine award (Unreasonable), 2021

Case Study - DryGro

Revolutionising protein production globally.

DryGro is an agriculture technology company growing sustainable plant-based protein on non-arable land. Using innovative closed-environment production systems, DryGro is able to produce protein faster and more sustainably than the current market standard protein crop: soy.

DryGro produced a soy alternative called “water lentil” (or “lemna”), a tiny floating crop that is very high in protein and grows incredibly quickly. Utilising innovation in plant science, engineering, and closed environment agriculture, DryGro is building a more sustainable industrial-scale protein production system for the world of 2050.

SDGs and Impact

At scale, protein production is estimated:



10x
Faster than traditional soy production.



<15%
Water usage compared to alternatives.



0
Causing no deforestation through use of arid land.



DryGro are supported by Sustainable Ventures through our Sustainable Accelerator Fund 1. Preparing for Series B fundraise in Q3 2021 (EIS Eligible).
*All impact data on this page is correct as of May 2021.

~£4.7m

Funding secured to date, including grants from AgRIA and the European Space Agency

28

Grown the team to 28 employees

Production

Completed inoculation on their second production facility in Kenya, and are currently in a test-and-learn cycle running the new facility

Partnerships

Secured multiple major university partnerships including the University of Jena, University of Greifswald and University of Hertfordshire

Accolades

- Funding and support from European Space Agency 2020-21
- EIT Rising Food Stars 2021
- Venturefest Oxford 2016
- UK government “Greenius Award” 2015
- Innovate UK Agritech Catalyst 2017
- Climate KIC 2019-2021

Case Study - Petit Pli

Designing wearable tech solutions for a more sustainable world.

Petit Pli is a multi award winning material technology company that has developed a patent accepted expanding material. They have commercialised their fabric to engineer clothes that grow with children, with the aim of reducing waste in the fashion industry by extending the use of garments and arming the next generation of LittleHumans with sustainable consumption behaviours. They are currently working towards expanding their reach in their largest market - USA, and will be launching their adultwear in 2021.

SDGs and Impact

Since beginning operations:



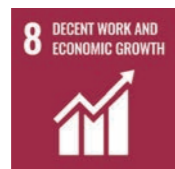
7x
Each product requires 7x less resource extraction, with more than 20,000 bottles up-cycled.



2%
E-commerce garment return rate vs industry average of 40% (efficient logistics).



30%
Energy for manufacturing from solar panels & all powered by renewable sources.



Petit Pli are supported by Sustainable Ventures through our Sustainable Accelerator Fund 1. Currently fundraising for Seed round.

*All impact data on this page is correct as of May 2021.

~£581k

Funding secured to date

8

Grown the team to 8 members

7x

Revenue growth in 2020 vs 2019

1

Granted Patent

10,000

Products sold with this technology to over 5,500 customers.

5

Product launches

Accolades

- UK James Dyson Award 2017
- Fast Company, Dezeen Awards, Business Green Awards 2018
- Red Dot Award 2019
- H&M Global Change Award 2019
- Deutsche Bank DBACE Award 2019
- Forbes 30 under 30, 2020
- 100 best inventions of 2020, TIME Magazine
- Featured by World Economic Forum & national news in Netherlands & Hong Kong, 2021
- Company admitted into the Virgin X Crowdcube Impact Programme

Case Study - Zeigo

Empowering businesses to quickly, easily and cost effectively source renewable energy.

Zeigo is a climate-tech platform that simplifies the process of contracting renewable energy by helping corporates find renewable energy projects around the world. Corporates are provided with tools and data to find projects in a transparent and streamlined process. Developers are guided to sell their projects to corporates.

SDGs and Impact

Since beginning operations:



21 GW

Zeigo's platform now hosts more than 300 projects totalling 21GW.



>100

Renewable energy developers are using the platform to access the market.



9 MW

Of capacity, 17GWh worth of volume in signed PPAs.



Zeigo are supported by Sustainable Ventures through our Sustainable Accelerator Fund 2. Preparing for Series A fundraise in Q3 2021 (EIS Eligible).

*All impact data on this page is correct as of May 2021.

£1.6m

Funding secured to date

80+

Renewable energy developers secured

20+

B2B clients, and signed 4 Utility PPAs in 2020

19

Grown team to 19, hired a new CFO and expanded board

3

Other accelerators acceptances - Shell Startup Engine, Barclays & Unreasonable, Tech Nation

Partners

On-going partnerships with Bloomberg, S&P Platts, IHS Markit and currently building a more sophisticated technology including ML forward curve

Accolades

- Best Business Solution in Technology category, TELCA Awards, 2020
- Innovative Energy Product of the year, EMA Energy Management Awards, 2020
- "Entrepreneur of The Year", Business Green Awards 2020 (Zeigo's founder Juan Pablo Cerda)
- Shortlisted for an Innovation Award at the British Renewables Energy Awards, 2020 and The Energy Awards for Digital innovation of the year: Dashboards, insight and trading, 2021

Case Study - Connected Energy

Increasing access to cleaner electricity and cooking in developing markets.

Connected Energy's smart metering technologies for biogas and solar PV bring new opportunities for off-grid energy businesses. Their value proposition is to offer off-grid energy solutions whilst lowering overheads & investment risk and offering the ability to provide flexible tariffs and payment plans.

Connected Energy has launched 2 products: Cloud Solar, a system-agnostic smart solar charge controller, for solar home systems, nano-grids and DC productive uses; and Smart Biogas, a smart-metering solution that uses machine learning to predict and notify of digester breakdowns, enabling real time monitoring of biogas digestors through a pay-as-you-go model.

SDGs and Impact

Since beginning operations:



~6 tonnes/yr
CO₂e emissions reduced per unit of Smart Biogas.



1000
Installed across 1000 households.



~5000
People impacted.



Connected Energy are supported by SV through our Sustainable Accelerator Fund 3. Currently fundraising for Seed round (EIS Eligible).

*All impact data on this page is correct as of May 2021.

£900k

Funding secured to date

15

Grown the team to 15 members

15

Countries of operation

1500

Cloud solar units sold across 10 countries

16

Companies piloting Smart Biogas across 14 countries.

18

Trademarks registered across UK, EU, USA, India & East Africa

“Working with Sustainable Accelerator has been very valuable for us in terms of taking a step back and thinking about the impact of our work.

SA helped us to take stock of the various impact pathways and prioritise this aspect of our business. They supported us to create a plan for measurement, providing a valuable framework for us to work with.”

Connected Energy

Case Study - Tandem

Facilitating affordable journeys by creating shared mobility options.

Tandem is the first company dedicated to building new transport options specifically for under-served communities outside of big cities. In partnership with existing local taxi, minibus and coach providers, Tandem creates new, affordable ways for people to get to work, to the shops, to school, to hospital and more.

Faced with disruption to the use cases they had planned for, in March 2020 the company identified a promising pivot; they began to focus on blue-collar essential worker transportation to locations like food production and mail delivery distribution centres. This pivot paid good dividends for Tandem, helping to bring in new investors and tangible growth in their metrics.

SDGs and Impact

Since beginning operations:



>£1m

Of wages enabled (for workers transported to their workplaces).



>2000

Tonnes of CO₂ offset.



£1,000

Cheaper journey costs per year compared to the cost of car ownership.



Tandem are supported by SV through our Sustainable Accelerator Fund 3. Preparing for Seed round fundraise in Q3 2021 (EIS Eligible).

*All impact data on this page is correct as of May 2021.

~£890k

Funding secured to date

8

Grown the team to 8 members

10x

Year on year revenue growth from 2019

40,000

Journeys facilitated

12

B2B clients onboarded

10

Locations nationwide

Accolades

- Green Entrepreneur Showcase 2020
- Finalist for UK Business Angels Association in award category 'Outstanding Resilience in a Challenging Time' 2020

Team behind the report



Susannah McClintock
Investment Director



Irene Maffini
Portfolio Director
Recruiting for replacement



Henry Hamilton
Investment Associate



Shruti Iyengar
Investment Associate



Andrew Wordsworth
Managing Partner & CEO



Chris Morris
Managing Partner & COO



Peter Shortt
Investment Committee CIO

Investment Team

Investment Committee

Getting involved

For Founders

Sustainable Accelerator (SA) invests in pre-seed and seed stage start-ups focused on tackling climate change and resource scarcity. All portfolio companies go through our bespoke 12-month Accelerator programme.

To apply for funding from SA, your business must meet our key criteria:

- Clear sustainability impact
- First or second professional funding round
- Proven technology concept with MVP
- Distinctive tech IP
- SEIS or EIS Advanced Assurance
- Clear exit strategy

To apply, please fill out the form at www.sustainableventures.co.uk/accelerator

For Investors

Sustainable Accelerator raises a fund annually, typically in October of each year.

If you wish to invest in our next fund, be notified of any upcoming fundraiser or are looking to co-invest, please email us at investments@sustainableventures.co.uk

For Mentors

The Sustainable Accelerator mentorship programme has been structured to help our portfolio companies receive support and guidance from industry experts across a wide range of sectors and with a wealth of knowledge and experience.

This is an opportunity for Mentors to draw from their experiences and expertise to inspire and empower our portfolio companies, while working with them to help them solve for key business challenges. Mentors will have the chance to expand their networks, build on their communication and coaching abilities, and gain access to the SV ecosystem.

If you are keen to get involved with sustainability start-ups and gain hands-on experience guiding budding entrepreneurs, please email us at investments@sustainableventures.co.uk



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