

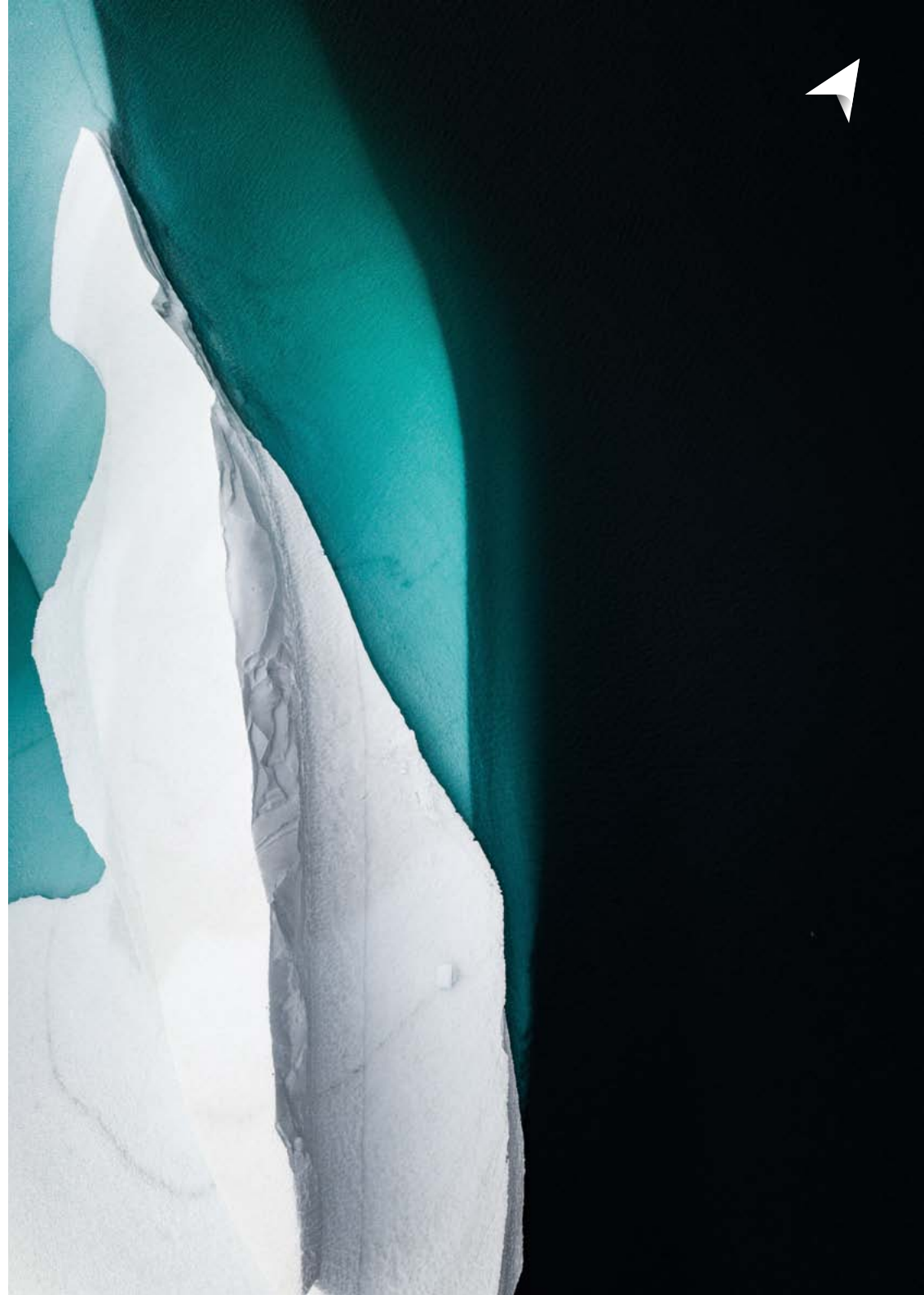


sustainable  
ventures

**Impact Report**  
2020-21

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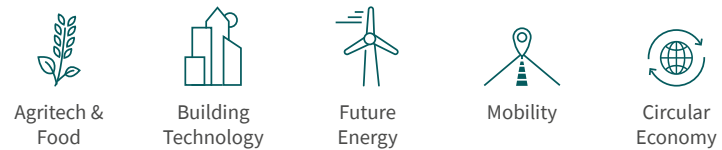


# | OUR VISION

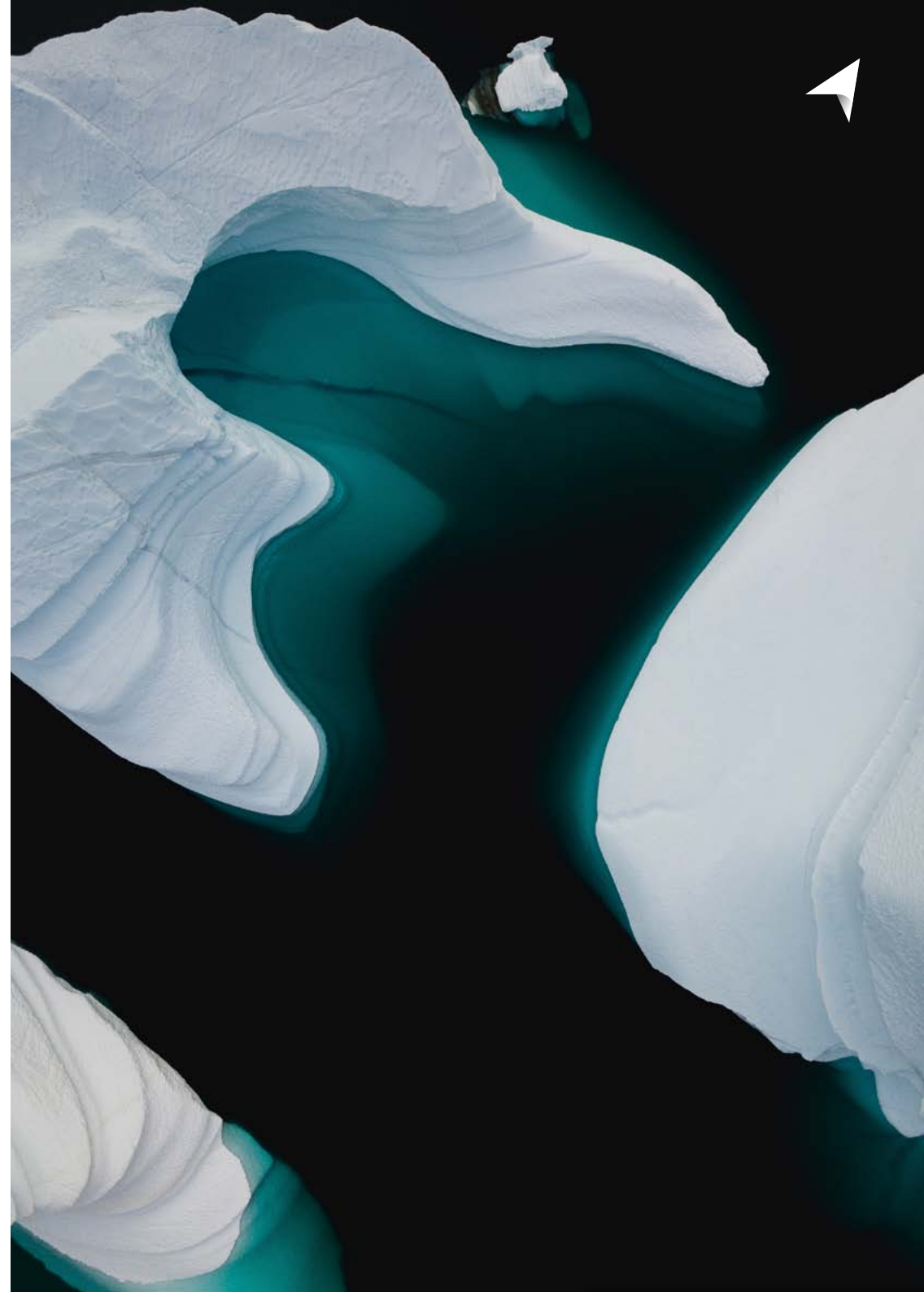
## We develop, invest in and create workspaces for sustainable businesses.

Our vision is a world where climate change and resource scarcity are addressed by commercial solutions.

We focus our efforts on the five key verticals that we believe all have a significant part to play in achieving our vision.



We have five areas that deliver impact activity.



## | OUR VALUES

Our values reflect our entrepreneurial background

### **Sustainable**

Everything we do has an enduring and positive impact on society, our economy and the environment

### **Commercial**

Every solution, product or service we develop or invest in needs to be on a path to becoming financially sustainable

### **Creative**

We are passionate about our work and finding new ways to overcome the challenges of developing and growing new businesses

### **Pragmatic**

We measure our impact on what is actually done – so our solutions and advice need to be deliverable using the available resources

### **Supportive**

We understand delivering growth companies is hard; we empathise with entrepreneurs, investors and team members and help them achieve their goals

### **Collaborative**

We recognise that we deliver greater value to our clients and stakeholders by working together

## | REPORT METHODOLOGY

**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.**

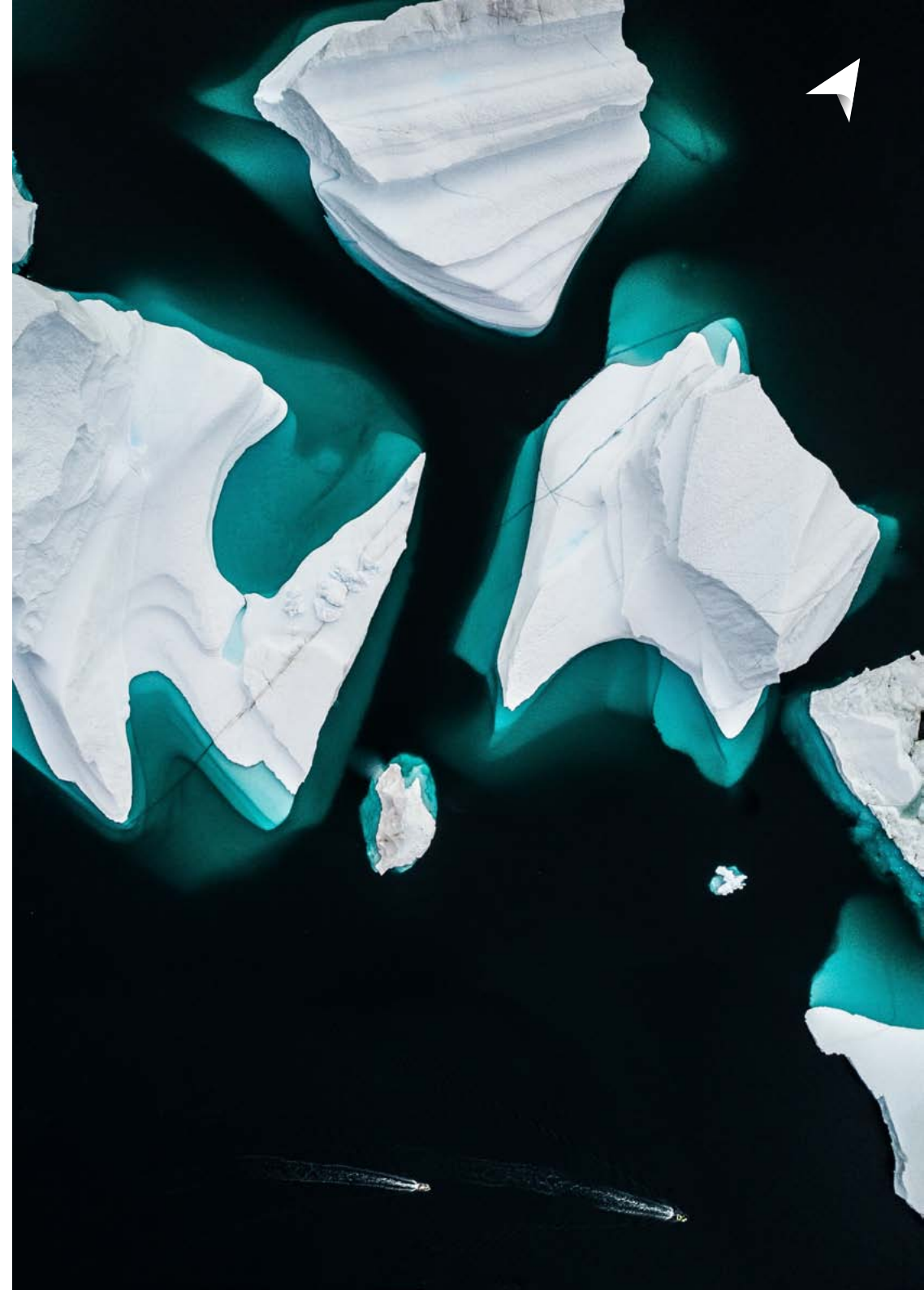
Our **Theory of Change** identifies the part that we play in enabling the start-up companies within our Ecosystem to deliver impact performance against the UN Sustainable Development Goals (SDGs) and increasing the growth of the overall sector.

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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.

**Outcomes** represent the actual social and environmental benefits achieved which are absorbed into beneficiaries' lives. We have identified the six key outcomes that are driving the long-term growth of the sustainable start-up sector.

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

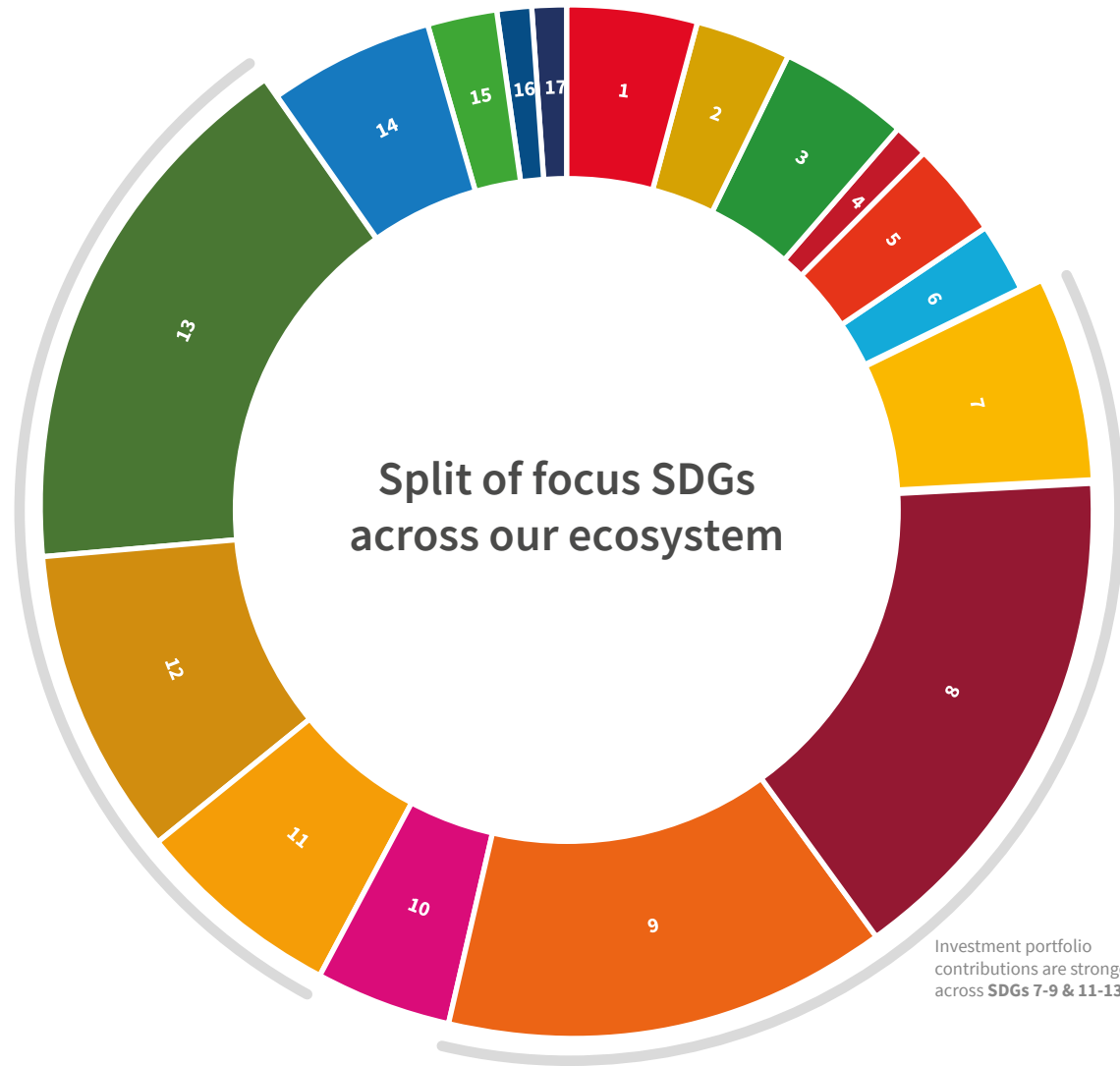


# BENEFICIARIES

**We are privileged to work with hundreds of companies developing solutions that promote prosperity while protecting the planet.**

A wide range of solutions are being developed by these companies spanning multiple market sectors, from energy generation through to sustainable food supply. The contribution against the UN Sustainable Development Goals - using the IRIS+ framework developed by the Global Impact Investing Network (GINN) - is only meaningful when analysed at the individual company level.

Each of our impact activity areas is producing supplementary impact reports that report on the portfolio each works with and aggregates the results for reporting to relevant stakeholders.



- |                                       |  |   |  |   |
|---------------------------------------|--|---|--|---|
| <b>SDG 1</b> No Poverty               | <b>SDG 5</b> Gender Equality           | <b>SDG 8</b> Decent Work & Economic Growth            | <b>SDG 11</b> Sustainable Cities & Communities     | <b>SDG 14</b> Life Below Water                      |
| <b>SDG 2</b> Zero Hunger              | <b>SDG 6</b> Clean Water & Sanitation  | <b>SDG 9</b> Industry, Innovation, and Infrastructure | <b>SDG 12</b> Responsible Consumption & Production | <b>SDG 15</b> Life on Land                          |
| <b>SDG 3</b> Good Health & Well-being | <b>SDG 7</b> Affordable & Clean Energy | <b>SDG 10</b> Reducing Inequality                     | <b>SDG 13</b> Climate Action                       | <b>SDG 16</b> Peace, Justice, & Strong Institutions |
| <b>SDG 4</b> Quality Education        |  |   |  | <b>SDG 17</b> Partnerships for the Goals            |



## PATH TO IMPACT

TO ENSURE

# Climate Change Mitigation & Sustainable Consumption

REQUIRES

**Increased sector growth**

$$\left( \begin{array}{l} \text{Number of companies} \\ \text{developing solutions to climate} \\ \text{change \& resource scarcity} \end{array} \right) \times \left( \begin{array}{l} \text{Rate of scale} \\ \text{of the companies developing} \\ \text{climate change solutions} \end{array} \right)$$



# PATH TO IMPACT - ACTIVITIES

Each activity area has established metrics to assess the contribution each area is making towards the six Outputs

## Sustainable Ventures



**Venture Development**

○  
Create new businesses delivering sustainable solutions



**Workspaces**

○  
Create affordable, flexible workspaces for sustainable businesses



**Investment**

○  
Make investment into high-potential innovations

○  
Build network of investors



**Services**

○  
Support with applications for grants/non-equity finance

○  
Create corporate and NGO partnerships



**Pioneers**

○  
Deliver training on sector skills & business commercialisation

○  
Create opportunities for individuals to enter the sector

○ ——— ○  
Deliver 1:1 tailored business commercialisation support

○ ——— ○  
Set targets for ensuring support to underrepresented groups

○ ——— ○  
Create a culture of collaboration through connections and events





# PATH TO IMPACT - OUTPUTS

Each area is covered in more detail in subsequent pages.



Venture Development



Workspaces



Investment



Services



Pioneers

## ~ OUTPUTS



Increased equality of opportunity



Increased knowledge & skills of those entering the sector



Increased access to funding



Increased access to flexible, affordable workspace



Increased knowledge of business commercialisation



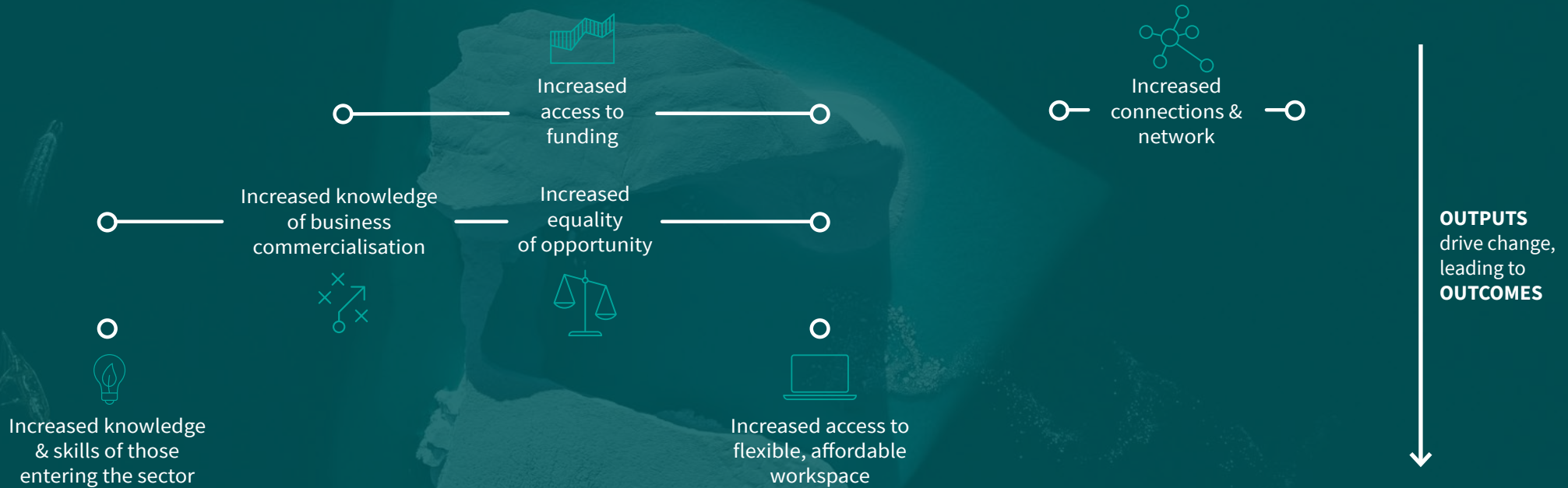
Increased connections & network





# PATH TO IMPACT - OUTCOMES

## ~ OUTPUTS



## ~ OUTCOMES



## ~ IMPACT

**Climate Change Mitigation**

**Sustainable Consumption**

## | IMPACT AT A GLANCE

SV Start-up ecosystem impact

**255**

Start-ups in  
Ecosystem

**98%**

Companies in core  
sustainability  
verticals

**£250m**

Total equity funds  
raised to date

**950+**

Organisations in  
wider network\*

**1250+**

Total jobs created/  
maintained

**35%**

Diversity  
index

All numbers related to 2020, unless otherwise stated.

\* Including SMEs, investment firms and corporate, NGO and government partners



# | VENTURE DEVELOPMENT

**We establish our own ventures to demonstrate how commercial solutions do exist to the challenges of climate change and resource scarcity.**

We are entrepreneurs at heart. Since the launch of Sustainable Ventures, we have sought to lead by example by through creating, developing and exiting spin-out businesses directly addressing problems within our focus verticals.

This has enabled the rapid growth of our 950+ sustainability stakeholder ecosystem of corporate, NGO, public sector and start-ups.

Increased knowledge & skills of those entering the sector

**8**

**Ventures launched since 2011**

Increased access to funding

**£10.7m**

**Equity investment raised to date**

**£6.4m**

**Grant funding secured to date**

**67**

**Employees in spin-out companies**

Increased connections & network

**950+**

**Organisations in the SV Ecosystem**



# | AIREX

Case Study

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

AirEx vents improve the affordability of ventilation technologies to the mass market, contributing to lifting households from fuel poverty.

Improving indoor air quality with reduced humidity and level of contaminants, leads to improved health and well-being. This helps accelerate the decarbonisation of the building sector.

AirEx are supported by SV through our *Venture Development* programme.

**7.1** tCO<sub>2</sub>  
Lifetime saving  
per home

**12-16%**  
Whole house heat  
loss reduction

**£100-£150**  
Reduction in household  
energy bill per year

**3**  
SAP point  
improvement



## | WORKSPACES

**We provide flexible & affordable office and workshop space to support the growth of innovative, sustainable companies.**

Over the last five years we've created 3 unique workspaces which have hosted over 100 sustainable startups which have created over 2,000 jobs from top software engineers through to entry level warehouse operatives.

Sustainable Workspaces is now Europe's largest cluster of start-ups in the sector and is the centre of the Sustainable Venture's ecosystem of start-ups and stakeholders including corporates, NGOs, local and national government organisations.

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Increased access to flexible, affordable workspace

**450**  
Workspace members

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Increased connections & network

**65000** sq ft  
of refurbished office space

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Increased equality of opportunity

**109**  
Tenant & alumni organisations

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Increased access to funding

**46**  
Community events p/a

**20000**  
Annual visitors (pre C19)

**42%**  
Female members

**£150m**  
Total funding raised by workspace members to date

**950**  
Jobs created by current workspace members



# | DRYGRO

Case Study

**DryGro is a agriculture technology company that grows low-cost, high-protein animal feed, called lemna, in arid climates, using circular reuse systems and 98% less water than alternatives.**

To solve the global scarcity in animal feed protein ingredients Drygro replace soy meal with lemna, improving the resource efficiency and resilience of the farming/aquaculture sectors globally.

Thanks to DryGro's efficient water use, they can grow Lemna on arid and semi-arid land, which not currently useful for agriculture production. This opens up millions of hectares of underutilised land, while avoiding deforestation.

DryGro have been members at *Sustainable Workspaces* since 2017.

**< 2%**

Water usage of alternatives

**Zero**

Deforestation through use of arid land

**30**

Local jobs in Kenyan pilot plant



# INVESTMENT

**We invest into high potential start-ups that deliver commercial solutions to the challenges of climate change and resource scarcity.**

In 2017 we launched Europe's first Accelerator seed fund exclusively focused on sustainable start-ups.

We provide seed-investment, often to pre-revenue start-ups, meeting the equity gap between grants and angel syndicate or early-stage Venture Capital funding. We work closely with each portfolio company, initially through a 12-month accelerator programme providing 1:1 support as companies move to secure their next funding round.

To date, we have made 23 investments and in August 2020 were recognized by Beauhurst as being in the top 5 most active impact investors in the UK.

Increased access to funding

**8**  
Investments made in 2020

**£24.8m**  
Further funding secured to date

**192**  
Jobs in investment portfolio companies

Increased connections & network

**1930**  
Investors into SA funds

Increased knowledge of business commercialisation

**1840**  
Hours of support delivered

**96%**  
Portfolio companies still trading

Increased equality of opportunity

**35%**  
of Female or protected characteristic co-founders



# PETIT PLI

Case Study

**Petit Pli creates garments embedded with patent-pending technology that helps to grow clothing bi-directionally to custom-fit children aged between 9 months and 4 years.**

Petit Pli's products accelerate conservation of natural resources, encouraging sustainable consumption patterns, reducing returned clothing, and avoiding waste clothing entering landfills.

Further, this innovation improves the economic productivity and resilience of the fashion sector, thereby accelerating the de-carbonisation of the fashion sector.

Petit Pli are supported by SV through our *Sustainable Accelerator Fund 1*.

**69** kgCO<sub>2</sub>eq  
Saved per  
Petit Pli suit

**40%**  
Energy used from  
solar panels

**7x**  
Less resource  
extraction



## | SERVICES

**We use our specialist knowledge of the sector to support start-ups and SMEs to achieve their growth ambitions through providing practical support that draws from our experience in venture development.**

Key focus areas of support include securing non-dilutive funding to underpin technology and commercial development, design support and commercialisation services, from developing companies' business plans and technology development plans through to assistance in implementing market entry strategies.

In 2020 we launched our partnership innovation programme, working with large corporate and NGO clients to create opportunities for start-ups and SMEs to undertake creative technology collaboration and rapid scale-up to provide solutions to our partners and their customers on the journey to a net-zero future.

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Increased access to  
funding

**£3.3m**  
Non-dilutive funding  
secured (2020)

**£9.8m**  
Non-dilutive funding  
secured (to date)

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Increased knowledge  
of business  
commercialisation

**59**  
Companies supported

**4320**  
Hours of 1:1  
support delivered

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Increased connections  
& network

**10**  
Collaborative projects  
created

**5**  
Corporate/ public  
sector partners

# LIBRARY OF THINGS

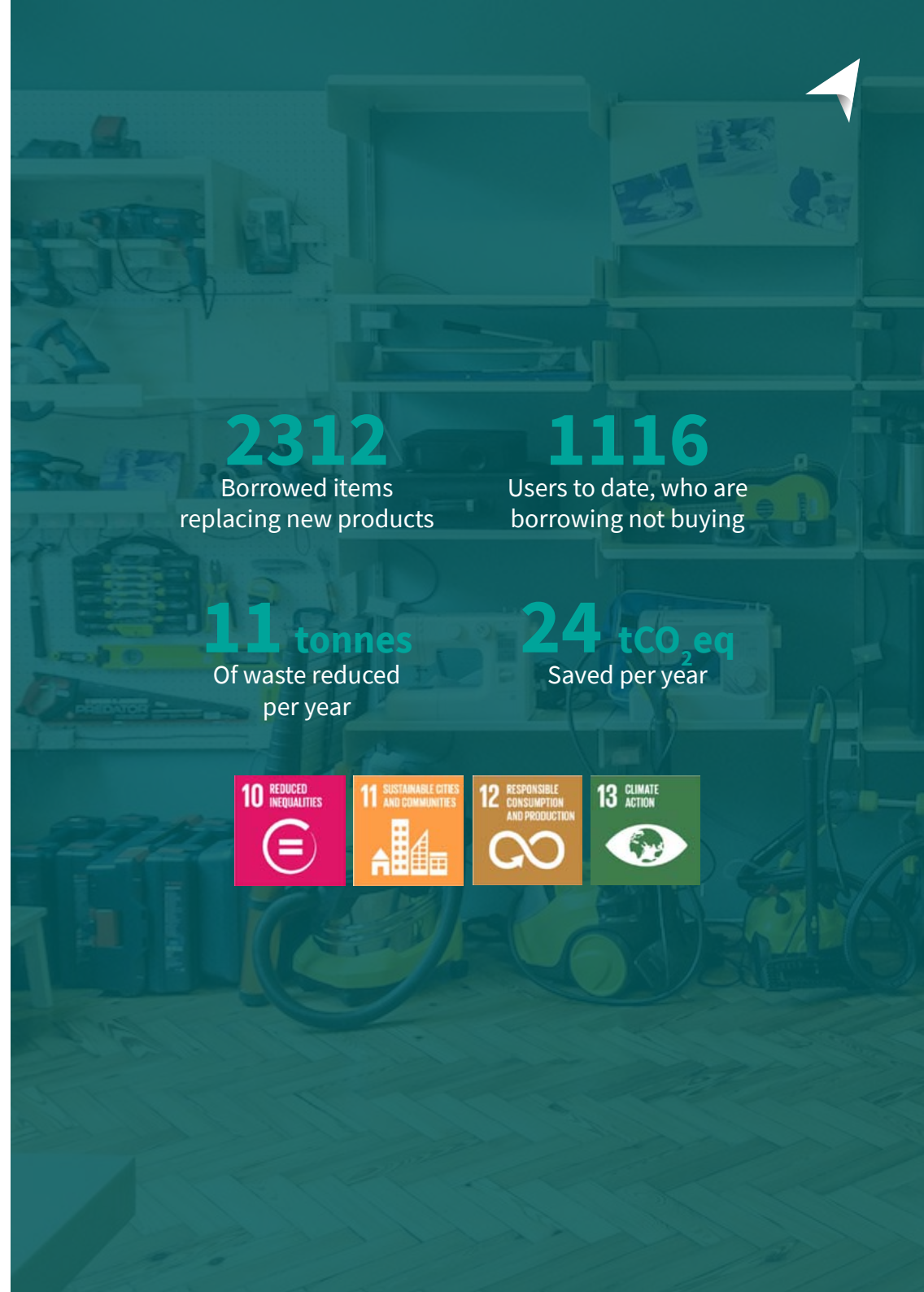
Case Study

**Library of Things builds communities by affordably renting out useful items like drills, sound systems and sewing machines, helping neighbours share skills.**

80% of household items are used less than once per month and the majority of GHG emissions occur in production not usage.

Library of Things affordably rents out high-quality DIY and entertainment products through 'self-serve' kiosks. Rather than buying, storing and disposing of low quality products, Library of Things will enable millions of people to access them, reducing lifecycle GHG emissions & natural resource depletion.

Library of Things is supported by SV through our *Smart Cities Accelerator* sponsored by *Climate KIC*.



**2312**

Borrowed items  
replacing new products

**1116**

Users to date, who are  
borrowing not buying

**11 tonnes**

Of waste reduced  
per year

**24 tCO<sub>2</sub>eq**

Saved per year



## | PIONEERS

### **We support sustainable businesses and the entrepreneurs of tomorrow.**

We are proud to deliver a number of programmes providing support to entrepreneurs and early-stage start-ups developing solutions to tackle the challenges of climate change and resource scarcity.

To date, we have supported almost 100 companies through our programmes, providing over 1,000 hours of business and commercialisation support.

Our programmes include:

Mayor of London *Better Futures* Extension programme  
ERDF-funded *Better Futures* programme  
EIT-funded *Climate-KIC Journey*

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Increased knowledge & skills of those entering the sector

**56**  
Individuals supported to enter the sector

**82**  
Workshops & Events

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Increased access to funding

**£7.8m**  
Further funding secured to date

**70**  
Jobs in supported companies

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Increased equality of opportunity

**41%**  
Of spin-out employees are Female

**34%**  
Of spin-out employees protected characteristics

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Increased connections & network

**145**  
Total organisations supported to date

**19**  
Organisations providing pro-bono support



# | OORJA SOLUTIONS

Case Study

## Oorja provide pay-per-use, clean energy services in rural India for the agricultural industry.

Access to clean and reliable energy empowers communities and individuals to create a better quality of life. The positive impacts are widespread, from better health to safer, better paid work.

Not only this, clean energy reduces emissions, preserving environments and air quality for future generations.

Oorja are supported by SV through our *Better Futures* programme.

6302

Litres of Kerosene & Diesel saved

16331

kg CO2 equivalent saved

1414

Lives impacted

7

Jobs created in last-mile rural communities



# IMPACT COMMITMENTS

## ~ THEORY OF CHANGE - OUTPUTS



Increased **equality of opportunity**



Increased **knowledge & skills** of those entering the sector



Increased **access to funding**



Increased access to **flexible, affordable workspace**



Increased **knowledge of business commercialisation**



Increased **connections & network**



Increase % investment into under-represented groups



Increase support to disadvantaged individuals to enter the sector through internship and other support programmes



Expand equity and public funding partnerships



Launch additional sites to provide flexible and affordable space for the growing start-up ecosystem



Expand the number of business supported through our pioneers and services activities



Increase access to customers and end-users through our corporate and CleanTech London partnerships

## 2021

Impact Commitments



## **Andrew Wordsworth**

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Sustainable Ventures**

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