


Impact Report

2021





‘It is possible to achieve a completely fossil-free energy supply, but together we need to tackle all aspects: energy generation, infrastructure and consumption.’



Coenraad de Vries

Co-founder and Managing Partner StartGreen Capital

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StartGreen Capital *in a nutshell*



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Funds



€450M

Assets under
management



44

Employees



393

Loans &
investments



26,783

Crowd investors

Figures as of 31 December 2021

Impact Report 2021

2021 *highlights*

StartGreen Capital celebrated its 15th anniversary in 2021. We have invested in many companies during those 15 years. In 2021, we provided 61 loans and investments (new funding or follow-on) in one of our impact domains: the energy transition, circularity and diversity & inclusivity. Compared to 2020, the companies in our portfolio achieved a carbon reduction of around 65,000 tonnes (+23%) more in CO₂ equivalents (from here on 'carbon'), which is the same as the annual emission of 18,000 petrol cars.

€50M

Financing issued
(equity/loans)



61

Sustainable
Loans & investments



65,000

Tonnes in additional
carbon reduction



Impact achieved *in 2021*



351,150

Tonnes
carbon reduction

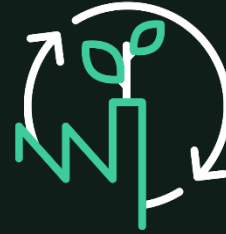
+23% ↑



781

FTE jobs

+58% ↑



150M

Turnover in euro
from sustainable
products/services

New metric



26%

FTE
female

~ equivalent



39%

Female
management

New metric

About StartGreen Capital



15 years of StartGreen Capital

2006

StartGreen Sustainable Innovation Fund & StartGreen Consumer Products Fund

2012

Energiefonds Overijssel & Oneplanetcrowd

2014

Participatiefonds Duurzame Economie Noord-Holland

2019

Borski Fund

2021

StartGreen funds comply with Article 9 of the SFDR

About StartGreen Capital

Building towards a sustainable economy

StartGreen is one of the largest impact fund managers in the Netherlands. Since 2006 we have joined forces with impact entrepreneurs and progressive investors to build a sustainable economy. In our opinion, this is an economy that does not exhaust its resources and allows everyone to reach their full potential.

Catalyst for progress

StartGreen wants to be a catalyst for progress: an accelerator of the transition to a sustainable future. We do this by investing in companies and projects that make a positive contribution to people and the environment. We help entrepreneurs to achieve their sustainability targets with our diverse and flexible financing options.

Double returns

StartGreen's investments prove that financial and social returns can go hand in hand. All our investments contribute to at least one of the United Nations Sustainable Development Goals (SDGs). We focus on three segments: the energy transition, the circular economy and diversity & inclusivity.

To generate long-term social return, we need financial return; profit secures the continuity of a company and makes it possible to continue investing in other sustainable propositions.

How is StartGreen making a difference?

In short, we do this by:

1. Investing and managing

We invest in impact businesses with both loans and risk capital, and we manage these investments diligently and proactively.

2. Identifying themes in the market

With our experienced team of specialists, we identify themes that require funding at an early stage.

3. Setting up new funds

Together with our investors, we develop new funds and investment opportunities designed to accelerate the transition to renewable energy, circularity and diversity.

Our *impact domains*



Energy transition

We fund companies and projects that actively contribute to the transition from fossil fuels to renewable energy sources, like the sun or wind, or that contribute directly to energy-saving solutions.

Take [Wellsius](#), for instance. It provides renewable and gas-free energy solutions for flats, houses and commercial properties.



Circular economy

We fund companies that use innovative production methods that minimise the impact on the environment and/or produce recycling or upcycling solutions.

An example of such a company is [ChainCraft](#), which converts organic residual waste into high-quality fatty acids for the chemical industry. By doing so, they ensure a closed-loop waste cycle and achieve significant savings in carbon emissions.



Diversity & inclusivity

We fund enterprises and initiatives that are working towards a society in which everyone can participate fully, with all their skills and potential.

[Thirona](#) is a good example. Founded by a female entrepreneur, this company uses AI technology in the battle against rare illnesses and complex disorders.

What makes us *unique*?

StartGreen Capital provides funding solutions to impact entrepreneurs who want to use their innovative and sustainable technologies, products or services to take the next step towards a better world and a more sustainable economy. We do this in an entrepreneurial way, by continuously identifying gaps in financial markets and coming up with innovative solutions for them.

Wide range of solutions

We distinguish ourselves with our wide spectrum of financing options: equity, convertible loans, senior and junior loans and guarantees. Whenever an investment opportunity arises that needs an innovative funding solution, we make sure we'll find one. We do this via various StartGreen funds and our crowdfunding platform. In effect, we function as a one-stop shop for many impact entrepreneurs.

StartGreen funds

StartGreen is currently managing six funds, which each in their own way contributes to the shared impact and return targets. Since 2012, StartGreen Capital manages the Energiefonds Overijssel, the first and biggest energy fund in the Netherlands. It also initiated Oneplanetcrowd, the first platform for sustainable crowd financing in the Netherlands.

Via this platform, entrepreneurs and energy projects can access funding to make sustainable or socially positive contributions. In 2016, Oneplanetcrowd was accredited as a B Corp: a benefit corporation. This means that the platform meets the highest standards for social and environmental performance.

Team of experts

StartGreen Capital's contribution goes beyond merely providing funding. With our experience, market knowledge, track record and network, we guide impact companies during their growth. Whether we offer companies the right kind of financing options or point them in the right direction, we always help entrepreneurs along the way. Even after the transaction, we remain involved as adviser and sparring partner, and we feel jointly responsible for their success.

Go to [Bertrand van Leersum's blog](#) to find out more about how we help the impact companies in our portfolio to grow.



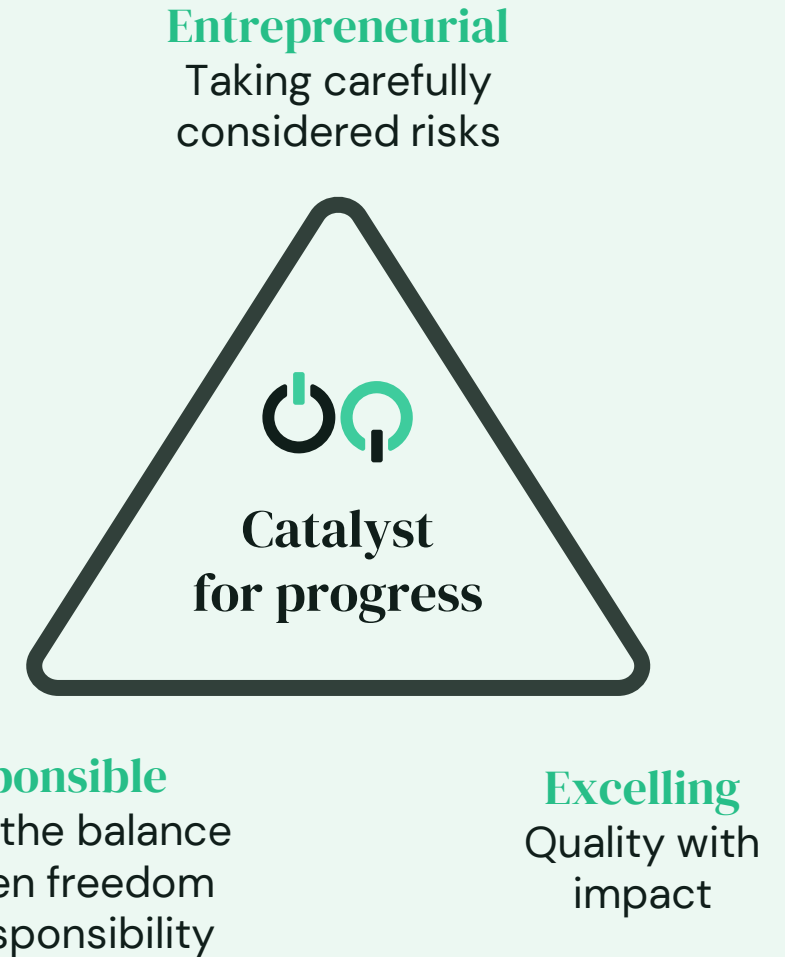
It's in our *DNA*

With the right mix of entrepreneurial and responsible financing, we excel in growing successful impact entrepreneurs.

Our team identifies itself with three core DNA values:

Three core values are closely related

Combining entrepreneurship with effective and excellent execution is in our nature. We do this by responsibly, and therefore risk-consciously, assessing each financing opportunity for the right risk-return ratio. In doing so, we rely on facts and sound analysis.












Would you like to know more about the expertise in our team? Read all about it in the [expert blogs](#) on our website.



Our funds

StartGreen Capital manages six funds. The funds differ in terms of impact domain, core SDGs, phase and geographical focus. They all contribute to a more sustainable economy.

Activity	Fund management				
					
Clients	Banks, regional and local government authorities, family offices and business angels.				Private individuals, business angels and family offices
Year of incorporation (status)	2006/2007 (closed)	2012 (open)	2014 (open)	2019 (open)	2012 (open)
Size of fund	€15M	€280M	€85M	€40M	> €100M provided by the crowd, €30M AUM.
Products	Equity, convertible loans (CL)	Equity, CL, (subordinated loans, guarantees	Equity, CL, subordinated loans	Equity, CL, SAFE	Equity, CL, loans and subordinated loans
Ticket size	€250k – €2M	€250k – €15M	€250k – €7M	€250k – €3M	€100k – €5M (> €5M with prospectus or HNWI)
Domain	Energy transition, circular economy, cleantech	Energy transition	Energy transition, circular economy, sustainable mobility	Diversity and inclusivity, Sector agnostic	Energy transition, circular economy, diversity & inclusivity
Type of company	Start-ups	Start-ups, scale-ups, projects	Start-ups, scale-ups, projects	Start-ups, scale-ups,	SME, scale-ups, energy projects, healthcare companies, environmentally friendly real estate
Geographical distribution	Throughout the Netherlands	Overijssel	North Holland	Throughout the Netherlands (+ EU with co-investor)	Throughout the Netherlands
Supervision	AIFMD	MiFID II	AIFMD	AIFMD	ECSPR/MiFID II
SDG focus					

Impact of our *funds in 2021*



4 new investments



462 FTE jobs



142,384 tonnes carbon reduction

The [Participatiefonds Duurzame Economie Noord-Holland](#) made good progress in 2021. The fund invested in four new impact companies. In addition, as many as 11 portfolio companies raised successful follow-on investments. Besides, the fund made multiple portfolio companies exit-ready. With these investments, PDENH contributes to the employment of 462 FTEs and is achieving a carbon reduction of approximately 142,384 tonnes, equivalent to the annual emissions of 31,000 petrol cars. This means that the fund is on track both in terms of capital deployed and financial and social returns.



11 loans and 6 investments



142,462 tonnes carbon reduction



4,530 TJ renewable energy

[Energiefonds Overijssel](#) issued funding for 17 new renewable energy initiatives in 2021. The fund provided 11 loans and participated in six companies. In total, this resulted in 4,530 TJ renewable energy generated and/or energy saved, comparable to the energy consumption of all the households in Almelo and Hengelo combined. In the process, these investments also achieved a reduction of approximately 142,462 tonnes in carbon emission, equivalent to 92,700 return flights from Amsterdam to New York. It demonstrates that the energy transition in Overijssel is in full swing, but that there is still plenty to do. The fund will continue to make a substantial contribution to this.

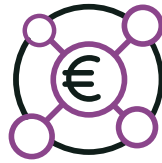
Impact of our *funds in 2021*



€18 million
financing



19 sustainable
organisations



26,783 private
investors

In 2021, our crowdfunding platform [Oneplanetcrowd](#) helped 19 impact companies gain access to more than €18 million in financing. This was possible thanks to investments from 26,783 private investors. With this, Oneplanetcrowd contributed to nine of the 17 Sustainable Development Goals (SDGs). Among the companies financed was [RE:BORN WALDEN](#): €3.8 million in bond financing for the circular transformation of the WALDEN office building in The Hague into a multi-purpose building.



Leverage
7 x own
investment



100 companies
female/mixed MT



600
deal flow
companies

Last year, the [Borski Fund](#) made a significant contribution to the community of female entrepreneurs in the Netherlands and Europe. With 100% investments in companies with an entirely female or mixed leadership team, the fund also worked actively towards closing the funding gap in 2021. For every euro that the fund invested, it raised €7 from other investors. In addition to this, the fund managed to create a deal flow of more than 600 companies. Borski added six new companies to its portfolio in 2021.

Why ABN AMRO joins forces with StartGreen

ABN AMRO Bank aims to make the biggest possible impact and, by doing so, create a more sustainable society. Richard Kooloos, the Head of Sustainability, talks about how sustainable businesses are evolving, about the increasingly stringent impact reporting regulations and the need to be able to collaborate with a partner like StartGreen.

You can read [the full interview](#) on the StartGreen Capital website.

How are you shaping sustainability at ABN AMRO?

'I have been focusing on sustainability in various roles for more than 15 years. Currently I'm responsible for the sustainability policy at ABN AMRO Bank. Sustainability is about our own business operations, but mainly about the preconditions we set in the loans we give to the business practices of our clients. This could, for instance, involve their transition to a 1.5-degree world and circular business practices.

Our policies focus on making as big an impact as possible with the investments of our clients. We consider how we can use that money and our influence to create an economy that emits less carbon, that addresses the problem of shrinking biodiversity, that alleviates negative social impact and increases positive social impact. Essentially, we have the same mission and ambition as StartGreen, we just have a different set of instruments.



Richard Kooloos
HEAD OF SUSTAINABILITY



“Essentially, we have the same mission and ambition as StartGreen, we just have a different set of instruments.”

Why ABN AMRO joins forces with StartGreen

How did the partnership with StartGreen Capital come about?

The partnership between the bank and StartGreen goes back to when StartGreen was founded. The founders recognised that there was a strong demand for financing for the developing sustainability sector. They brought with them the knowledge and passion to invest in companies at an early stage while giving them extra impetus in the process. It's not possible to provide that impetus as a bank because the risk profile of start-up companies is not suitable for bank credit. They are simply too early stage and, with that, too high risk.

For that reason, we took on a role in the background and invested as a bank in the [StartGreen venture capital funds](#), which gives start-ups the impulse they need. We also provided a supervisory director to be able to make investment decisions. These StartGreen funds are now in the phasing-out stage, so they only have a few investments left in the portfolio – mainly aimed at taking the company to the next phase. If StartGreen is looking for investors, we are always open to the idea. Together we are trying to grow the market. We can achieve this by sharing knowledge or by referring clients to one another.



Richard Kooloos
HEAD OF SUSTAINABILITY



"If StartGreen is looking for investors, we are always open to the idea. Together we are trying to grow the market."

Why ABN AMRO joins forces with StartGreen

What makes StartGreen a suitable partner?

The requirements for business practices and supervision have become much stricter in the past ten years. This sometimes complicates things for us: as a major lender, we keep tightening up our processes and procedures, whereas a start-up needs flexibility and capacity. As much as we'd like to support them, the different speeds makes it difficult to cater for each other. The challenge is: how to stick to the rules and help these companies at the same time? That is why it's great that we have an executor like StartGreen that can offer flexibility. An entrepreneurial partner like StartGreen must be the go-between to put that passion and adaptability into practice.

Precisely because the demands on everything we do have increased enormously, we are only willing and able to work with parties that operate at a high professional standard. So StartGreen has to meet our high supervisory and quality requirements on the one hand but – because we have confidence in the high standards of their practices – they get a valuable stamp of approval in return: 'Approved by a major bank'. My experience with the StartGreen's venture capital funds is that the portfolio companies can say: 'StartGreen and this major bank believe in me,' which has a positive effect when dealing with potential investors and clients.



Richard Kooloos
HEAD OF SUSTAINABILITY



“Because the demands on everything we do have increased enormously, we are only willing and able to work with parties that operate according to high professional standards.”

Why ABN AMRO joins forces with StartGreen

How do you see sustainability evolving?

Around ten years ago, sustainability was a strategic choice. This didn't seem to go much further than recycling coffee cups and double-sided printing. These days, being sustainable is not something that makes you stand out; it's a must. What's more, sustainability is increasingly becoming more data-driven. It has shifted from being a qualitative decision to being a quantitative prerequisite: from 'tell me' to 'prove to me'. You must be capable of doing a lot of analysing and reporting. This means that sustainability is becoming part of core business operations. A consequence of this is that factors like nitrogen or carbon emission and the risk of flooding are a much more serious consideration in investment decisions.

The EU Taxonomy will have an impact on everything. First and foremost, this is going to be a nightmare when it comes to compliance, which may well take the impetus out of sustainability. Operators who get through the compliance valley of death and bring back that impetus will win the battle. If you manage to produce a good ESG report, while at the same time using that information to help entrepreneurs along the way, that's when you can make a difference. I'm glad to see that StartGreen has that capacity and knowledge. I am confident that StartGreen will come out of this even better than before."



Richard Kooloos
HEAD OF SUSTAINABILITY



"Around ten years ago, sustainability was a strategic choice. These days, being sustainable is not an option that makes you stand out, it's a must."

Impact policy



Our *impact policy*

Sustainable development goals

StartGreen Capital has chosen to determine its intended and realised impact based on the Sustainable Development Goals (SDGs). The United Nations set these 17 goals to provide a blueprint for solving today's biggest social challenges, such as the global food problem (SDG 2) and energy transition (SDG 7). This set of SDGs acts as a roadmap for achieving peace and welfare for all people and the planet, now and in the future.

For more information about SDGs, please visit the [special UN website](#).

StartGreen Capital only provides funding to companies that contribute positively to at least one of the SDGs. The objective of StartGreen Capital funds is to make sustainable investments, as defined in Article 9 of the [SFDR](#) (EU regulation). 'Article 9 funds' are funds that have a clear sustainability objective.

[Read more on page 24](#)



Theory of Change

In 2018, StartGreen Capital used its Theory of Change (ToC) to clearly define what the organisation does, for whom and why.

A ToC is a visual description of the activities that an organisation undertakes, and how they lead to certain effects (outcomes) and social objectives (impact) in the short or long term.

There is a visual representation of StartGreen's ToC on the next page. StartGreen's work creates value for entrepreneurs and investors. It also contributes to the development of the impact investment sector in the Netherlands. StartGreen aims to turn impact investment from a niche activity into a mainstream one. StartGreen's ultimate objective is to contribute to SDGs by financing impact entrepreneurs. To set out the specifics of how entrepreneurs contribute to these goals, we have defined a few fixed indicators (KPIs) for each SDG, which are used to measure and monitor progress and results. We have formulated these indicators in such a way that they can be monitored objectively and can be aggregated. Examples of these indicators are the number of kilowatt hours of renewable energy generated, the number of sustainable products sold or carbon reduction by the tonne.

Theory of *change*

StartGreen Capital promotes the transition to a sustainable and inclusive economy. We do this by financing innovative entrepreneurs and facilitating investors. By doing so, we offer more than money and contribute to sustainable development goals.

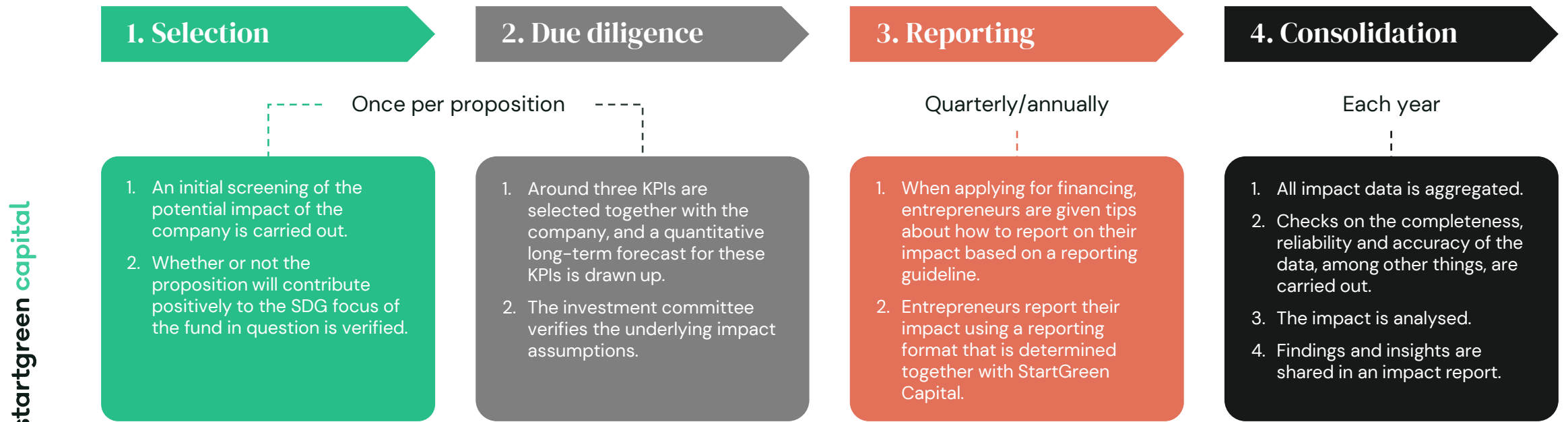


Impact *assessments*

To achieve its impact objectives, StartGreen Capital aims to measure the impact of its companies and clarify this impact. Based on accurate impact data, StartGreen Capital wants to be able to make sound strategic decisions about investments or portfolio management. That way, we can adjust business operations to maximise the impact.

StartGreen Capital wants to be able to measure the impact so that it can inform stakeholders. The organisation wants to be able to demonstrate to stakeholders that financial and social returns go hand in hand.

The process for measuring the impact is similar for all StartGreen Capital funds and is broadly as follows:



New *sustainability legislation*

SFDR & EU Taxonomy

The sustainable finance sector is maturing. More and more organisations are entering the market, and with that the need for standardisation and regulation is increasing. The EU is implementing various pieces of legislation with the main objective to create more transparency and clarity about sustainable finance so that ultimately more financial resources can be channelled to sustainable sectors. Two of these have a direct impact on us.

The **Sustainable Finance Disclosure Regulation (SFDR)** sets out the sustainability information that financial market participants, like StartGreen, must disclose. The objective: to increase transparency. The SFDR obligates financial organisations to disclose their policies for the integration of sustainability risks in the investment process on their website. There are additional obligations for financial institutions that actively promote sustainability characteristics (Article 8, 'light-green funds') or have a sustainability objective (Article 9, 'dark-green funds'). All the funds at StartGreen have a sustainability objective and as a result they are in the highest – and thus greenest – sustainability category (Article 9).

Read more on the subject in Dylan Perales' expert blog: [SFDR: annoying obligation or tool for success?](#)



The **EU Taxonomy** is a classification system for large companies and financial market participants to determine which economic activities are sustainable. The aim is to prevent greenwashing and develop a common language about what is sustainable and what is not. As it stands now, there is not much standardisation in this respect.

This means that companies can claim that all their activities, for instance, building carbon-neutral properties, are sustainable without being able to properly substantiate a claim like this based on a general accepted standard.

The EU is attempting to create more clarity based on this Taxonomy. By setting clear criteria for each activity, investors are ultimately in a better position to compare the degree of sustainability of companies and portfolios.

SFDR/EU Taxonomy: *first insights*

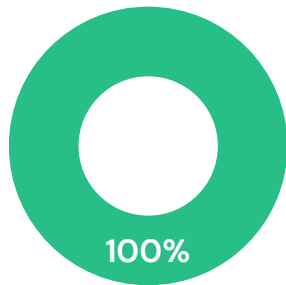
Although the interpretation of the regulations is still subject to discussion, StartGreen Capital started to prepare for its implementation at an early stage. This year, we put out the first questionnaires for both the SFDR and the EU Taxonomy.

Sustainable Finance Disclosure Regulation

As it stands now, all StartGreen Capital funds have a sustainability objective, which is why 100% of our funds are Article 9, i.e. 'dark-green' funds. This comes with obligations, including reporting adverse effects (PAIs). We expect that for many organisations it will be a challenge to collect this data comprehensively and reliably within the set EU format. Indicative of this is the fact that, for the first questions relating to our portfolios, the average response rate per question was < 40%, and it was particularly low (< 20%) for questions about carbon emission (Scope 1, 2 and 3). Only 9% of the companies completed the questionnaire. For many (small) companies, providing this information is a huge challenge, often requiring the help of the investment team and others.

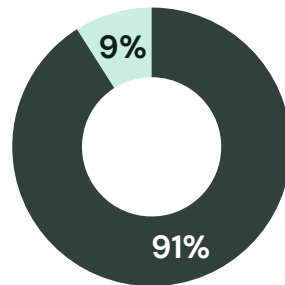
SFDR – Fund overview

Distribution based on AUM funds (€)



SFDR – Full PAI response

Based on number of companies



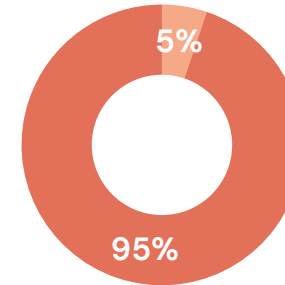
■ SFDR art. 6 ■ SFDR art. 8 ■ SFDR art. 9 ■ Not completed ■ Completed

EU Taxonomy

The EU Taxonomy sets out criteria for categorising an activity as sustainable. These criteria have not yet been defined for all activities/sectors. A high-level scan showed that the majority (approx. 95%) of our funding went to companies in the sectors falling within the scope of the EU Taxonomy (eligible), particularly in the 'climate change' 'mitigation' and 'circular economy' pillars. The 5% that are not eligible are mainly companies with a social sustainability objective. The EU Taxonomy currently only focuses on environmental sustainability, so activities with a purely social sustainability objective are currently still beyond its scope. Next year we will be analysing which companies have met the sustainability criteria in more detail.

EU Taxonomy eligibility – High-level scan

Distribution based on AUM (€)



■ Not eligible for EU taxonomy
■ Eligible for EU taxonomy

Our *ESG policy*

StartGreen Capital aims to provide financing to companies that fit within the norms and values of its funds and today's society. The problem here is, that some companies – often unwittingly – did not (yet) comply in terms of some environmental, social or governance factors at the time the company was discussing financing options with StartGreen Capital. StartGreen Capital applies its ESG policy to identify and, where possible, bridge this gap between the existing situation and what is required, and to identify the risks that this may entail.

As part of our ESG policy, we thoroughly investigate whether the company has an adverse impact on sustainability factors, such as environmental, social and employment issues, respect for human rights and the fight against corruption and bribery. We also analyse each company to see whether it is facing serious sustainability risks, i.e. an environmental, social or governance incident or circumstance that, if it occurs, could lead to a material adverse effect on the value of the investment. The objective of the ESG policy is to identify risks as well as opportunities (improvements).

The ESG policy affects the following three phases in the investment process:



Data *collection*

The demand for sustainability information is growing, from the perspective of internal as well as external stakeholders. The expectation is that this demand is set to increase in the years to come, partly because of the more urgent focus on people and planet.

Automated and manageable

To meet this growing demand for sustainability data, StartGreen started collaborating with Worldfavor in 2022. This sustainability management and reporting platform makes data collection at companies more efficient: it supports companies – for instance when calculating carbon emissions – and displays this data in a well-laid-out dashboard. Using Worldfavor, we can automate the handling of questions regarding data from our portfolio companies and quickly gain insight into areas requiring attention in sustainability reporting.

More efficient

Because we started using Worldfavor for the first time this year, it took some time for the companies in our portfolio and the investment teams to get used to it. We informed those involved about the usefulness, necessity and functioning of the system as best we could via webinars. This new method of data collection is more time consuming the first time around because not all the data is readily available, and that is why this report was released later than usual. Because the companies are now set up for this way of working and know what data we are monitoring, we expect that responding to questions will become more efficient in the coming years.



Dylan Perales – Sustainability Lead at StartGreen Capital:

'Reliable sustainability information is crucial to be able to make responsible sustainable investments. For this we need to take into account the company's context, for instance, the phase it's in, its size and sector, and the complexity of data collection, i.e. the required time, resources and accuracy. The focus has to be on the most material subjects for a specific company or fund. We want to avoid asking companies for data that we don't consider to be material. But due to new legislation, like the SFDR, it is sometimes necessary. Entrepreneurs sometimes find this annoying: they're busy enough as it is. We aim to support entrepreneurs in this respect as much as possible and strive to use the data to add value to their company.'

Impact domain deep dive: *energy transition*

StartGreen provides funding for three impact domains: the circular economy, diversity & inclusivity and the energy transition. Coenraad de Vries, co-founder and managing partner of StartGreen, is convinced that the energy transition can succeed in time, but it requires everything and everyone to contribute.

‘There are incorrigible optimists who firmly believe that everything will be alright. And then there are ‘corrigible’ optimists who are willing to concede that, while everything might be all right in the end, we’re going to have to roll up our sleeves and get on with it. I’m one of the latter. If we all keep taking sensible steps in the decades to come, I believe it is possible to create a completely fossil-free energy supply.

Tackle all aspects

It is possible, but we’re all going to have to put our shoulders to the wheel and tackle all aspects: energy generation, infrastructure and consumption. Not only by installing more solar panels and wind farms but also by addressing energy storage and consumption. Energy storage needs to be improved because renewable energy is not always in line with consumption; unfortunately, the sun doesn’t always shine. But there are also plenty of gains to be made when it comes to the consumption side. We are used to always having power and plugging in appliances when it suits us.



Coenraad de Vries

‘It is possible to achieve a completely fossil-free energy supply, but we’re all going to have to put our shoulders to the wheel and tackle all aspects.’

Details of the impact domain: *energy transition*

High energy prices are making us face the facts. We are used to having our devices available all day and night. If we would start using more devices during the day, when there is a lot of sun and wind, that would solve part of the grid congestion problems.

The good thing about this impact domain is that we invest in the entire range of sectors: generation, storage & supply and consumption. There is not one holy grail: we cannot solve the issues with the sun, wind or hydrogen alone. Everything is necessary, including the more controversial sources, like biomass and nuclear energy. Our Director of Participations, Karel Asselbergs, puts it well in his blog [The mix is the key to success](#). It goes without saying that we have to make sensible choices. When it comes to biomass, for instance, we have to be sure that it is residual wood that doesn't have to come from far afield.

Smart solutions

Because several roads lead to Rome, we invest in solutions that immediately maximise carbon reduction per euro invested, as well as in technological innovations that can contribute a lot in the future. For instance in innovations in the field of storage and in smart IT solutions to coordinate supply and demand more effectively (smart grids). But also in smart solutions on the side of the users, ones that will ensure that we consume less energy and do so when it's available.

Read more on the subject in the expert blog: ['Energy innovations are crucial for the transition to succeed'](#)



We also invest in making real estate sustainable. Eighty per cent of energy consumption in the Netherlands is gas used for heating. That is why we invest in geothermal heat, heat pumps and hydrogen solutions, and by doing so we are one step closer to becoming a gas-free society.

Making the difference

For all our financing we look for entrepreneurs and project developers that want to make a difference. Our search for investment opportunities is wide and we don't exclude any sectors, as innovations often also transcend sectors.

We mainly look at the problem that the innovation intends to solve and whether it is feasible. We then examine how we can invest in those innovations so that they can be rolled out on a grander scale.

Each time we make the consideration: will this really help in the energy transition? But also: are we really still needed? We have noticed, for instance, that we are not really needed for innovations in solar and wind technology. These markets have been developed to the extent that larger industrial organisations can fund subsequent innovations. That is why we focus on new sectors, like carbon-neutral mobility and solar energy storage.



Details of the impact domain: *energy transition*

Closing the funding gap

Our main aim is to add value to the funding landscape by financing those companies that need it, because mainstream financiers are not set up for higher risk and customised funding. We fund the high-risk initial phase, helping the entrepreneur to get through the funding gap and with that we are essentially the catalyst that can get a start-up or fledgling energy project on track. With our knowledge and experience, we can properly assess the likelihood of an impact company's technological and economic viability. We are also in a position to explain what the risk-return ratio is.

Because StartGreen has various financing instruments at its disposal, we can provide customised financing solutions: we can join the various pieces of the puzzle, namely (subordinated) borrowed capital, equity and (convertible) loans. We are unique in that respect. Once we have laid the foundation, other financing partners can get on board.

See also: [Project financing: an indispensable tool for the energy transition](#)

Less dependent

In 2021 we were not aware that Putin was about to shut off the gas pipeline. That has made the energy transition even more urgent. And this is not only from the perspective of sustainability; we now recognise how dependent we are on countries that we don't want to be dependent on. That is why I am even prouder that we are helping to make the energy transition possible.'

Impact achieved



Impact achieved: distribution by impact domain over time

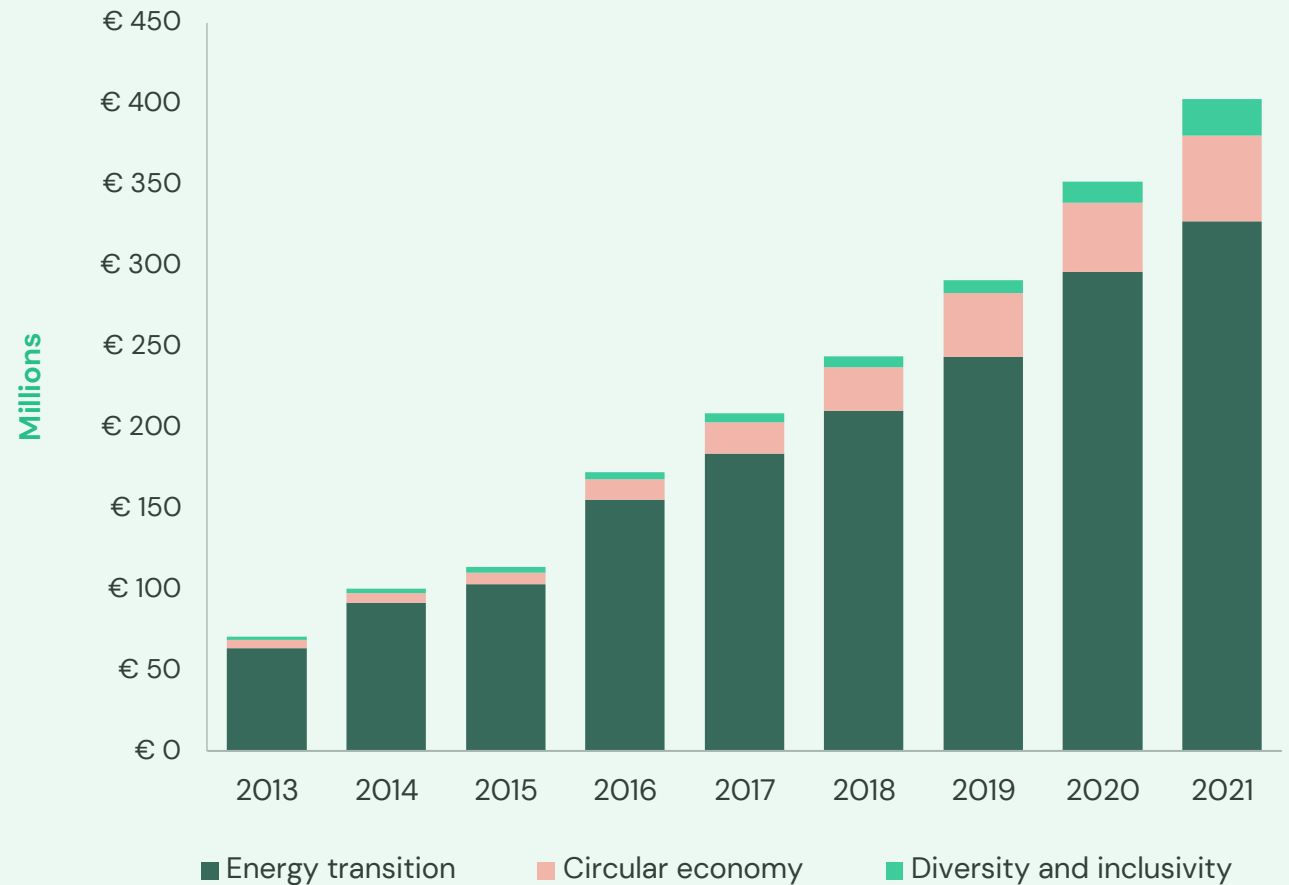
The overview below shows the invested capital per impact domain, cumulatively over time. Since 2006, StartGreen Capital has issued 393 investments/loans to 321 different companies. Of these, 233 companies are actively under management (73%).

To this day, the majority of the issued financing relates to the energy transition domain, namely 81%. In total, approximately 13% has been allocated to the circular economy domain and 6% to the diversity & inclusivity domain.

With the remaining assets (a total €450M of assets under management available) and Oneplanetcrowd's broad social focus, there is still a lot of potential to expand our impact in the future.

Overview of financing by domain (2006-2021)

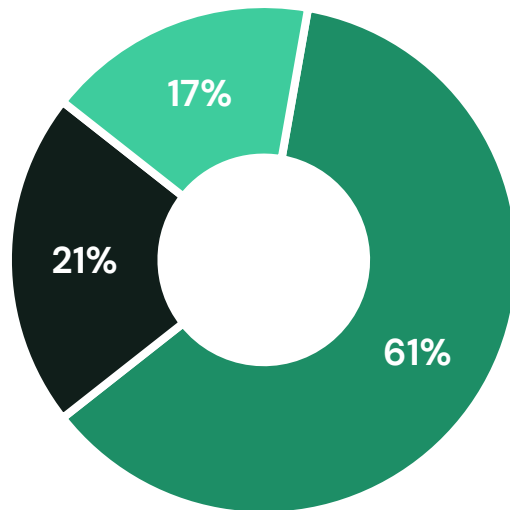
Distribution based on cumulative amounts invested (€)



Impact achieved: distribution by impact domain in 2021

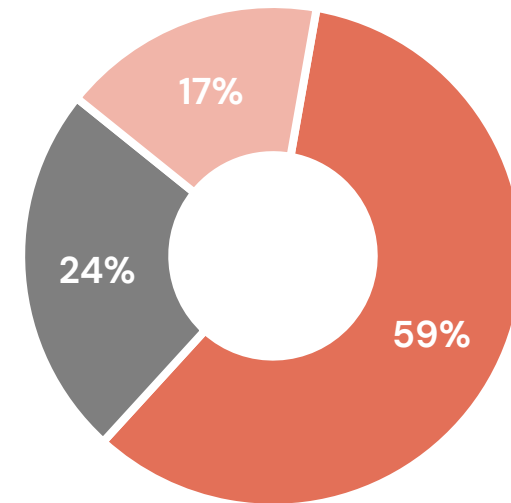
Looking at the financing issued to new companies in 2021 (€50M, 61 investments/loans), we see that 61% of the funding (86% in 2020) is attributed to the energy transition. This often concerns large and capital-intensive projects. The funding of companies that focus on the circular economy grew both in terms of the amount of funding (21% of funding issued in 2021, which was 5% in 2020) and number of investments (24% vs 17% in 2020). The funding of companies focusing on diversity & inclusivity increased significantly compared to 2020 in terms of amount funded (17% in 2021 compared to 9% 2020) but dropped in terms of number (17% compared to 31% in 2020), i.e. there were fewer but larger investments/loans attributed to this domain.

Distribution based on financed amount (€)



■ Energy transition ■ Circular economy ■ Diversity and inclusivity

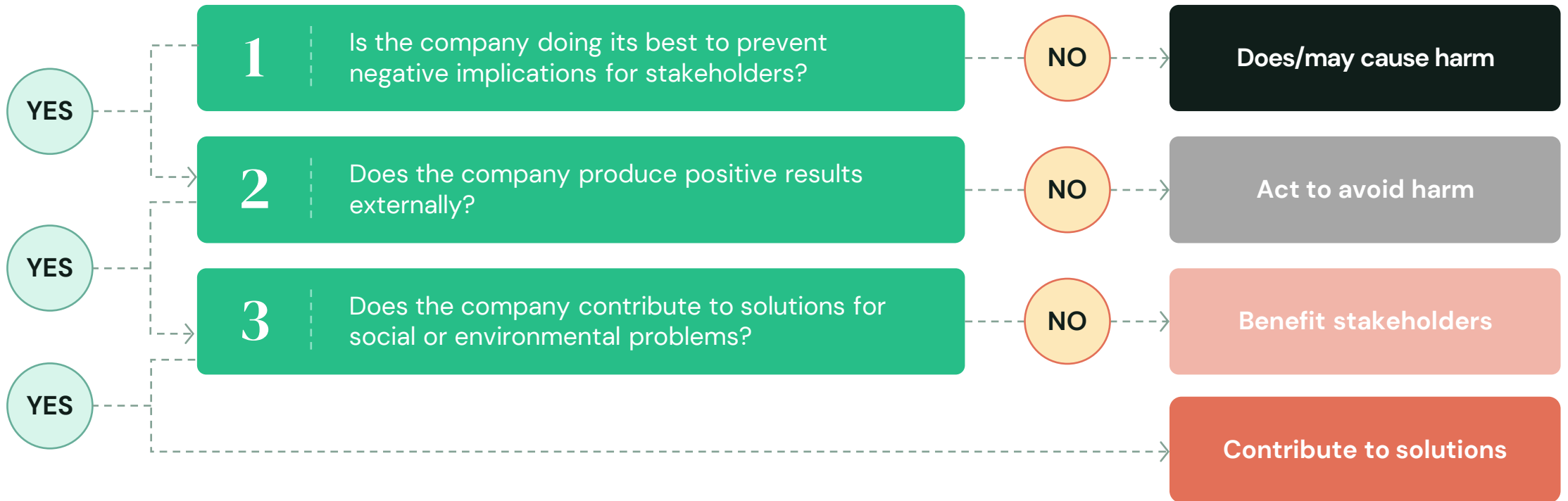
Distribution on the number of fundings (#)



■ Energy transition ■ Circular economy ■ Diversity and inclusivity

Distribution based on *the impact management project classification*

To gain a better understanding of the type of impact, we categorised the funding for this year based on the classification system established by the [Impact Management Project](#) (IMP). Launched in 2016, IMP provides a forum for more than two thousand organisations to reach global consensus on measuring, managing and reporting on impact. In brief, it divides companies into four categories, of which three have a positive impact:



Impact achieved: distribution based on the impact management project classification

The diagram right shows the distribution according to the IMP classification for all funding, cumulatively, since 2006. In the diagram under it, we zoom in on 2021 specifically.

“Does/may cause harm” or “Act to avoid harm”

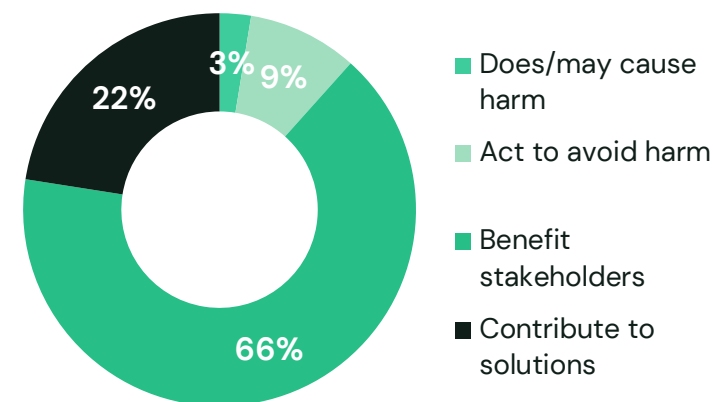
Cumulatively, 3% of the companies (also 3% in 2020) belong to the ‘does/may cause harm’ category. Although these companies do not cause any significant harm, they do not by definition have a clear sustainable or social objective in mind. They are mainly companies that were financed to support female entrepreneurship (the fund’s social sustainability objective). Seven per cent (14% in 2020) fall into the category of ‘act to avoid harm’, for instance, companies that decide to generate their own renewable energy by using solar panels.

“Benefit stakeholders” or “Contribute to solutions”

In addition, cumulatively 66% (65% in 2020) of the funding was issued to companies that fall in the ‘benefit stakeholders’ category. This mainly concerns projects that achieve positive impacts using existing technologies. A wind project, for instance, achieves positive impacts (green power instead of grey power), using existing technologies. Since this wind project makes a positive contribution but does not directly contribute to a new solution – such as a new technology – we assign this project to the ‘benefits stakeholders’ category. Looking at financing from 2021, 31% (17% in 2020) is in the ‘contribute to solutions’ category. This mainly concerns innovative companies that are one of the first to contribute to new solutions for social or environmental problems with their business.

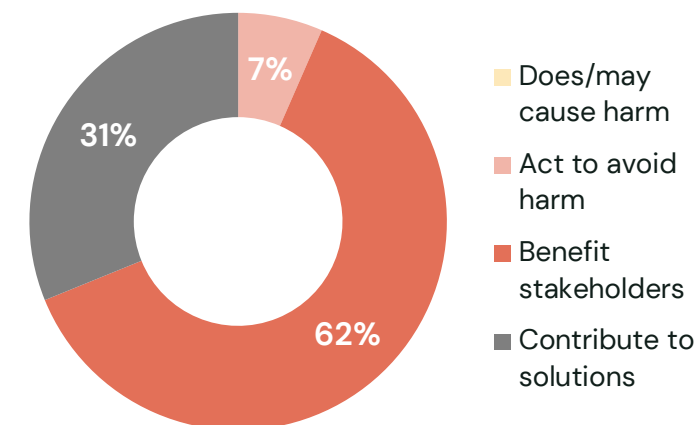
Overview of cumulative financing (2006–2021)

Distribution based on number of investments (#)



Overview of financing by type in 2021

Distribution based on number of investments (#)

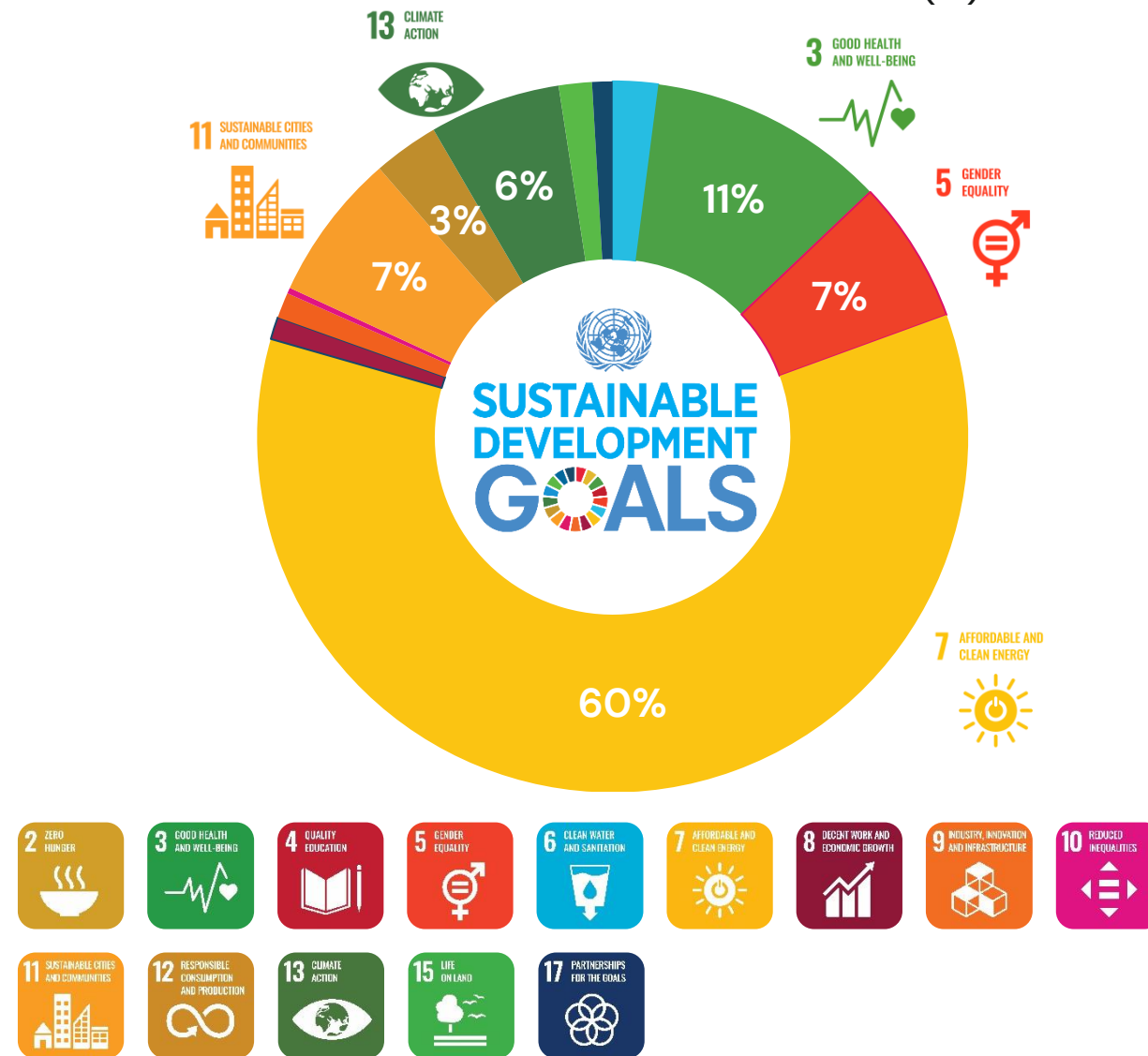


Distribution based on *sustainable development goals*

The information on the impact that StartGreen Capital has been gathering since 2018 is linked to SDGs. For each entrepreneur, we select SDGs linked to indicators that can be used to express the company's material impact. Those KPIs include the number of sustainable products produced, the number of households supplied with renewable energy or the number of people given access to better healthcare.

- The new investments in 2021 contributed to 14 different SDGs.
- In 2021, the majority of investments/loans went to energy transition under SDG 7 (60% affordable and renewable energy), followed by SDG 3 (11%, good health and well-being), SDG 5 (7%, gender equality), SDG 11 (7%, sustainable cities and communities) and SDG 13 (6%, climate action).
- Compared to 2020, the investments/loans are distributed across more diverse SDGs and SDG 7 was slightly less dominant (60% vs 86% in 2020).

Overview of investments by SDG in 2021 Distribution based on financed amount (€)



Impact highlights by SDG in our portfolio 2021

53,000

Persons connected to a sharing economy for motorhomes and caravans



CAMPTOO

175,000

People made aware of sustainable choices



ENERGY FLOORS

33,416

Jeans sold with an extended lifespan made from recycled cotton



MUD JEANS
COTTON LEASE

697

Children helped in their family situation by family-oriented youth care



VIGERE
JEUGDPLEEGGEZINSHUISZORG

87,936

Phones sold with an extended lifespan



FAIRPHONE

5,500

Households provided with renewable energy using biogas

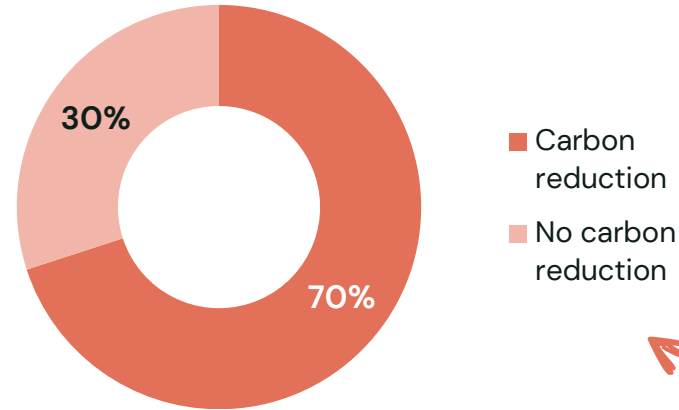


AGRO GIETHOORN

Carbon reduction: in-depth analysis of the data

Companies that achieved carbon reduction

Distribution based on number of companies in our portfolio (#)



Seventy per cent of the portfolio companies achieved a carbon reduction of 3,902 tonnes on average per company in 2021.

Breakdown of carbon reduction by portfolio company

Distribution based on carbon reduction by company (tonnes)

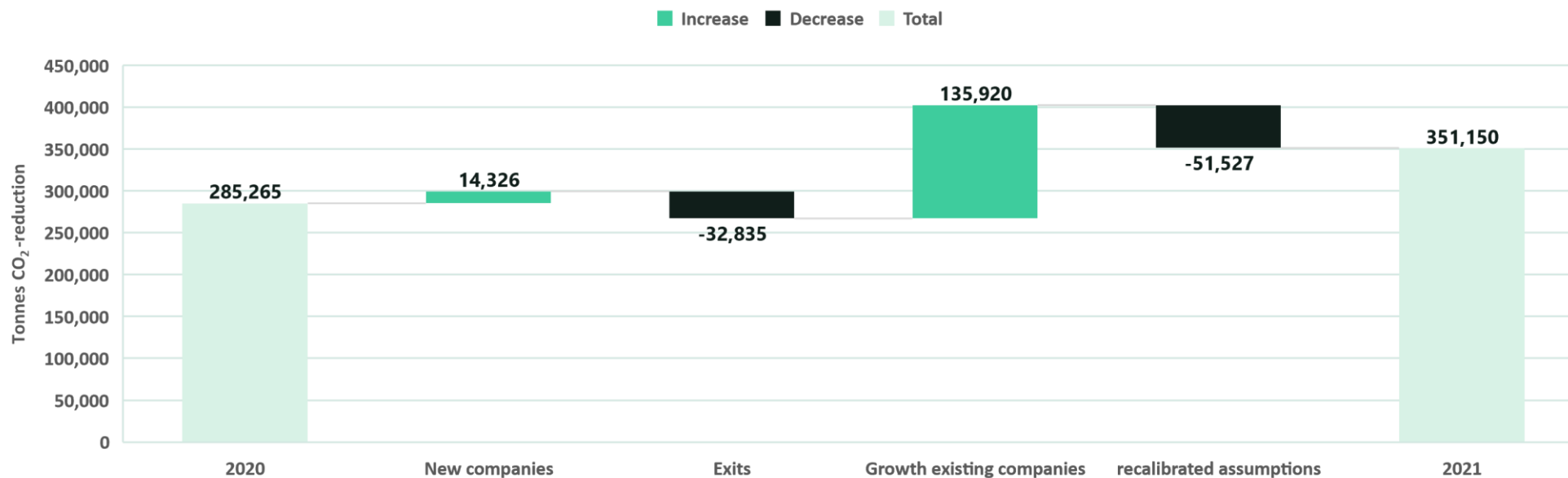


The graph shows how the carbon reduction is distributed among the various companies in our portfolio (the size of each box reflects the relative amount of carbon reduction of a specific company). The ten biggest contributors together account for 54% of the total carbon reduction.

Carbon reduction: in-depth analysis of the data

In 2021, the companies in our portfolio (N=128) achieved a carbon reduction of 351,150 tonnes (23% increase compared to 285,265 tonnes in 2020). The graph displays the delta. The increase is mainly due to growth in the existing portfolio companies (135,920 tonnes). In addition, based on new data from the CBS (*Centraal Bureau voor de Statistiek*; tracks statistics in the Netherlands), we recalibrated some impact assumptions. For instance, because the average carbon emission from electricity generation in the Netherlands has declined, the benchmark against which we measure impact has shifted, and the net impact of our investments has decreased slightly. The rest is explained by new investments/loans or exits.

Carbon reduction analysis 2021 compared to 2020



Practical examples



“Our mission is to lead the fashion industry towards a new sector of digital-only clothing that wastes nothing but data and exploits nothing but imagination.”



The Fabricant: *digital fashion house*

The Fabricant, the world’s largest digital fashion house, has a leading position in the digitisation of the fashion industry.

The Fabricant’s long-term vision is to create tools and products that transition the fashion industry towards an entirely digital existence in both production and consumption while democratising fashion creation to become a collaborative process that utilises 3D technology and consumers’ creativity, accessible to all.

Visit The Fabricant Studio



The Fabricant

Impact Management Project dimensions – The Fabricant	
What	The Fabricant creates digital fashion collections of a high standard to replace physical clothing in our digital existences.
Who	Fashion brands and creators no longer have to produce physical garments to monetize fashion and engage with their brand fans.
How much	In the metaverse, our digital wardrobes will be larger than the physical ones. Digital items ensure that brands can reduce their carbon footprint by as much as 96% with no water or toxic substances involved.
Contribution	The Fabricant’s aim is to produce tools and products that transform the fashion industry to a fully digital existence
Risk	It is important that customers use The Fabricant’s services as replacements and not additionally if the impact is to actually be achieved.

Borski Fund and diversity

Only 5% of all venture capital investment go to diverse teams and even less, around 1%, goes to all-female teams. The Fabricant was founded by a team of three, of which two are women:

Adriana Hoppenbrouwer and Amber Slooten. Both Adriana and Amber are leaders in their field and hold executive positions in the company.

The investment in The Fabricant contributes to closing the gender gap of unequal opportunities for female entrepreneurs.



‘When redeveloping WALDEN, we once again demonstrated that economic, ecological and emotional (social) impact can go hand in hand.’

– CEO’s Niel Slob & Saman Mohammadi

RE:BORN WALDEN: circular and multi-purpose building

Development investor, RE:BORN, transformed the Walden building in The Hague from a single-use vacant office building to a multi-purpose building. The building was initially set up as residential accommodation, but can easily be adapted for use in healthcare, as a hotel, offices or education.

Sustainability was also boosted by the attention given to circularity: as many of the materials as possible were reused. At the same time, the energy label went from Class C to A+++, and the building is now fully electrical and gas free.



Impact Management Project dimensions – RE:BORN WALDEN

What	Too often, buildings are being constructed with one purpose in mind. That purpose is the determining factor and it restricts the life expectancy of the building. Investor in sustainable development, RE:BORN, advocates for multi-purpose buildings. In addition, RE:BORN recycles as much material as possible through circular construction, and producing waste is kept to a minimum.
Who	Multi-purpose construction allows for the changing demand of future generations to be taken into account now.
How much	The construction of the Walden building in The Hague was fully reused, achieving around 60% in carbon savings compared to a new building. Moreover, all components and materials were 'harvested': carefully dismantled instead of demolished, after which the components and materials could be given a second life. At the same time, the energy label went from Class C to A+++, and the building is now fully electrical and gas free.
Contribution	As an investor in development, RE:BORN initiated the entire project.
Risk	Part of the impact was achieved during the construction, through the use of circular materials, for instance. The future impact will mainly ensue from the multi-purpose design. This is the expectation, but whether it will become reality remains to be seen.

Oneplanetcrowd brings innovative entrepreneurs and forward-looking investors together to accelerate the transition to a sustainable economy.



‘We are proud to have partnered with RE:BORN to fund the largest crowdfunding real estate project of 2021: 3.8 million euros was brought together by 954 investors. These investors believe in RE:BORN’s vision to transform outdated buildings sustainably into multi-purpose buildings that will last for generations.’

– Maarten de Jong, CEO of Oneplanetcrowd

‘Dexter helps energy companies navigate through the challenges of transitioning from a fossil-fired-based electricity system towards a fully renewable one.’

– Hubert Penn, CCO Dexter Energy

Dexter Energy: **AI-based trade optimisation**

Dexter Energy develops software based on artificial intelligence to balance the power system.

By predicting consumption, generation, shortfalls and excesses, it helps the power system cope with more renewable generation.



Impact Management Project dimensions – Dexter Energy

What	Based on predictions, Dexter facilitates the growth of renewable generation and storage behind the meter.
Who	By predicting the generation and load on the power grid, they offer a unique service to a wide range of large and reputable clients, like power companies and other major suppliers and power grid customers, including Greenchoice, Axpo and Giga Storage.
How much	Based on predictions, shifts in the energy market are possible: from consumption during 'peak scenarios' (high demand, high marginal costs) to a base scenario' (low demand, low marginal costs). This forces fossil fuels out of the market and replaces them with renewable energy sources, like solar and wind energy. A saving of kg carbon/kWh is calculated as the difference in average carbon emissions at the high price and the low price.
Contribution	In particular, Dexter Energy has a great deal of experience in using weather data and advanced artificial intelligence. If the power grid is out of balance, Dexter provides the knowledge and software to deploy flexibility to address the imbalance.
Risk	Market interventions could lead to Dexter's clients being less inclined to invest in renewable generation and storage projects because their business cases are undermined, and consequently the impact may not be achieved.

The Province of North Holland firmly believes in the power of renewable and innovative energy. Energy that preserves nature, while at the same time boosting the economy. Energy that you invest in together.

The [Participatiefonds Duurzame Economie Noord-Holland](#) is an important tool for developing a sustainable economy in the province. The fund promotes sustainable operations, employment and innovation. Investing in Dexter Energy contributes to these objectives.



We are StartGreen Capital



Internal *sustainability policy*

Internally, StartGreen Capital also strives to deal with people and the environment as consciously as possible, by encouraging sustainable office spaces and sustainable transport, among other things. In addition, StartGreen believes it is important to ensure it is an inclusive workplace.

B Corp accredited

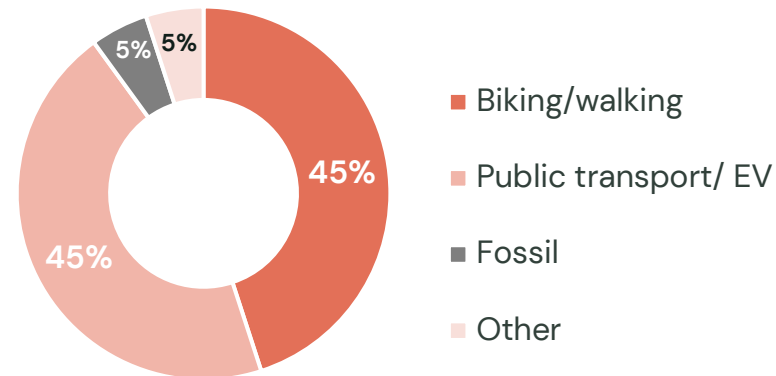
Oneplanetcrowd has been proudly B Corp accredited since 2016. B Corp stands for 'benefit corporation'. To become a B Corp, companies have to go through a challenging certification procedure and meet all the strict requirements regarding social and environmental performance, transparency and accountability.

B Corps aim to have an inclusive and sustainable future, with a good balance between social impact and making a profit.



Transport to the office

StartGreen investigated how environmentally friendly its workforce is when it comes to commuting to and from the office. The findings were encouraging: 90% sustainable. Many of them (45%) are health conscious and get to the office by bike or on foot. The second group (45%) gets around sustainably by taking public transport or by electric car. The remaining part (10%) is still using transport powered by fossil fuel or hybrid forms of transport. Apart from staff members making conscious decisions in this respect, StartGreen encourages sustainable transport with its HR policy.



Staff transport

Sustainable housing at the *SDG House*

StartGreen Capital is based in the SDG House of the Royal Tropical Institute in Amsterdam. The SDG House is a community of around 50 entrepreneurs and organisations that aim to uphold at least one SDGs. By exchanging ideas and working together, the members attempt to accelerate their impact.

SDG House draws 100% green energy and forest-compensated gas via Greenchoice. It also pursues a zero-waste policy, its carbon emissions are fully compensated and this year several insulating and water-saving measures have been taken.

The StartGreen Capital offices were refurbished in 2021, and as much recycled and sustainable materials and furniture as possible was used in the process.



Diversity & inclusivity

Having an inclusive society is essential in StartGreen Capital's opinion, which is why we also strive towards having diversity in our organisation. StartGreen Capital has had a balanced management team from the time it was founded, and all its departments are gender diverse: 43% of the management team, 36% of the investment team and 39% (52% in 2020) of StartGreen Capital overall (including support staff) are women.

StartGreen is also a member of [Fundright](#) and took part in a survey in which our diversity data for venture capital investments was compared with other venture capital funds that prioritise diversity. In this subset, too, we score reasonably well in terms of gender diversity: 45% of the investments went to companies that were (co-)founded by a woman (compared to the 26% sector average). At StartGreen, more women hold mid-level or senior positions than the sector average. A point of concern is that, at the junior level, we score slightly lower than the sector average (29% to 33%).

There is room for improvement when it comes to ethnic diversity & diversity in terms of nationality. The latter can be partially explained by our focus on the Netherlands, which means that command of the Dutch language is important. We are currently examining how to improve this in preparation for our [Diversity VC Standard](#) assessment.



Percentage of women in investment teams (internally)

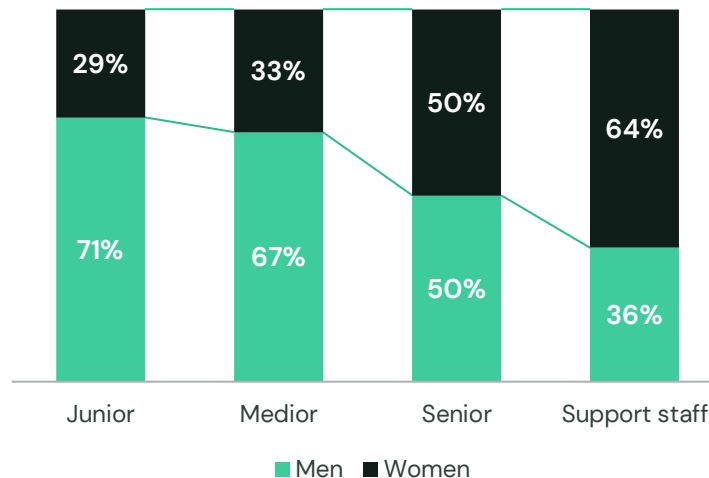
36% | **29%**
StartGreen | Average

Percentage of investments to companies (co-)founded by a woman

45% | **26%**
StartGreen | Average

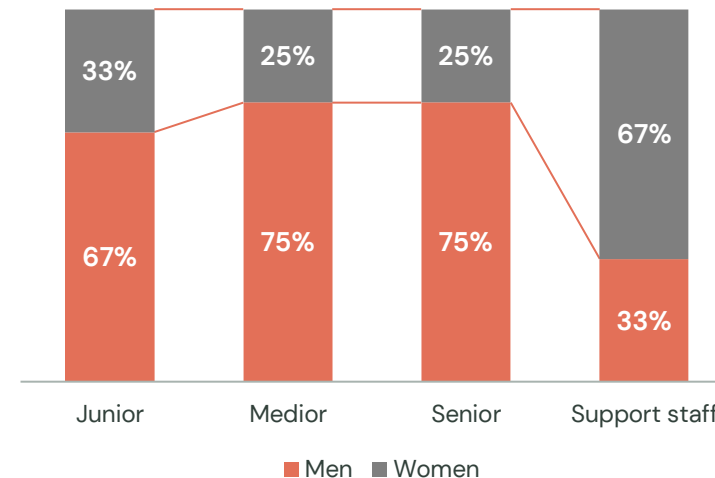
Overview of male-female distribution at StartGreen

Distribution based on position held (#)



Overview of male-female distribution according to Fundright benchmark

Distribution based on position held (#)



The StartGreen *Sustainability Team*



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Appendices

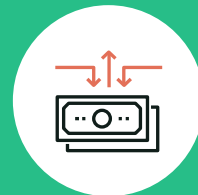


Appendices

Notes on methodology and restrictions

At StartGreen Capital, measuring and managing impact is a procedure that we use to identify the impact that we want to make, to assess the expected and achieved impact of the investments and to manage the investment process. We use this procedure to ensure that we maximise positive impacts and minimise negative impacts. For impact investing, the 'why' question is the guiding principle for positive change. StartGreen Capital takes its vision and mission on social impact into account in its investment strategy and by doing so aligns all the stakeholders. Having said that, assessing the impact of individual investment reports is no easy feat. It is accompanied by a certain degree of subjectivity and assumptions about the definitions of the criteria used. That is why we will explain here how we obtained the data and what the restrictions are.

StartGreen Capital examines the SDGs that the investments aim to contribute to during the due diligence procedure. For this, we agree with impact entrepreneurs that they will send information to StartGreen Capital about the agreed and relevant indicators on an annual basis.



Correctness

Impact information that is shared with StartGreen Capital is currently not audited by StartGreen Capital or an external organisation. This would be extremely time-consuming and costly; something we are not willing to burden the entrepreneurs with. That said, together with the help of consultancy firm, Sinzer-Grant Thornton, various sanity checks are carried out (e.g. is the reported impact: "units sold" times "impact/unit sold" in accordance with the impact due diligence findings?).

Completeness

We ask every company to provide information concerning several core impact indicators (usually around three). Sometimes companies make an impact on a wider spectrum of issues but, to avoid reporting fatigue, we don't require the companies to report on all impact indicators. A consequence of this is that it may lead to under-reporting, i.e. data points may be missing.

Allocation

If a company falls within more than one SDG and/or impact domain, then for practical reasons the invested amount is evenly distributed across the relevant SDGs/domains. This can lead to under- or over-reporting of amounts allocated to certain SDGs/domains, given that the contribution is not always equal, for instance, it may be 80% SDG X and 20% SDG Y.

Methodological choices

For the current impact assessment process (see page 23) StartGreen Capital has been carrying out the selection (step 1) and due diligence procedures (step 2) since 2006. These steps were not originally linked to the SDGs because these goals were only set out in 2015. Reporting (step 3) and consolidation (step 4) were added to the procedure later. StartGreen Capital carried out a pilot study in 2018, based on which we made certain decisions concerning the methodology we would use.

1. Measuring absolute or marginal impact?

Example: An investment is made in an existing company that is already making an impact. The company is looking to scale up and is given extra investment for this. What impact does StartGreen Capital report on? The company's entire impact? Or only the increase made possible by the investment granted?

Decision made: We decided to measure the absolute impact. Often it is difficult to strictly differentiate between the extra impact achieved by the additional investment and the impact that could have been achieved hypothetically had the investment not been made. Moreover, it is more practical for the company to report on the overall impact (for their own purposes too) instead of trying to monitor each investment separately.

2. Take impact into account after exit?

Example: Partially due to StartGreen Capital's investment, technology can be scaled up quickly and sold to a buyer who magnifies the impact even more. Should this impact be taken into account?

Decision made: Even though the impact of these sold companies was originally made possible partially due to StartGreen Capital's investment, we decided not to take this impact into account. StartGreen Capital often has no role, or a very limited one, to play at these companies after exit, which means that monitoring the data is not applicable and the companies are no longer under any reporting obligation concerning the funds

3. Impact in proportion to the investment part?

Example: A financing round is carried out with three different financiers, of which StartGreen Capital contributes 60%. Do you want to include the total impact or only your pro rata share? In other words, if the fund provided 60% of the financing, should then only 60% of the impact be attributed to StartGreen?

Decision made: In line with the argumentation mentioned before, we decided to include the company's overall impact in the report for practical reasons. Determining the impact of a certain investment can be very complex, particularly if several financing rounds have taken place. It is important in this respect to emphasise that StartGreen Capital does not claim that the impact measured can be attributed entirely to StartGreen Capital's contribution. The impact presented concerns the contributions made by the companies, which in turn was partly facilitated by financing provided by StartGreen.

Methodological choices

There is not one correct way of measuring impact; various options are available. This entails taking into account the available resources in terms of budget and time, and the feasibility for both the entrepreneur and the fund manager. StartGreen Capital strives to refine its methodology each year by learning from practical experience and best practices in the market.

4. How much impact data per company?

Example: A company with an innovative, sustainable production process contributes in various ways to SDGs. It reduces energy, water consumption and the use of chemical substances. The company also offers plenty of employment opportunities, of which many are for female members of staff. Does this all have to be assessed? Or should the focus be on the most material contributions?

Decision made: In the interests of feasibility for the entrepreneur and the fund manager, a decision was taken to monitor around three specific impact KPIs per company. When aggregated, this means that some KPIs are under-represented and are higher in reality. Due to regulations, the number of (non-company specific) KPIs did increase.

5. Direct impact versus indirect impact?

Example: With its technical innovation, a company prompts the creation of an entirely new supply chain, which in turn creates new jobs at a subcontractor. Is this indirect impact taken into account?

Decision made: For conservative reasons, we decided to restrict impact measurements as much as possible to the direct impact that the companies have. It can be ambiguous what exactly the indirect impact of the portfolio company is and the extent to which this can be attributed to the company in our portfolio, therefore this indirect impact is not included when it's ambiguous.

6. Include future impact?

Example: A company has developed a promising technology, but it is still in the very early stages. While the impact may be significant in the future, the impact is however very limited during the development phase. Is it possible to take the future impact into account, similar to the net present value of future cash flows?

Decision made: The expected future impact is not taken into consideration in the reports; only the achieved impact for the reporting year in question.

Having said that, we expressly look at the potential long-term impact of a company when making investment decisions. The fact that the portfolio company has less impact during the investment phase definitely does not mean that it is not a good impact investment.



sinzer

Part of
Grant Thornton

This report was compiled in collaboration with Sinzer-Grant Thornton.

Impact expertise since 2008

Sinzer is a consultancy firm specialising in measuring, reporting and improving the social impact of sustainability performance. Since its incorporation in 2008, Sinzer has been supporting investors, companies, not-for-profit organisations and government agencies in the transition to a sustainable, inclusive economy to define, measure, report on and improve their impact on people and the environment.

Full-service impact services

Sinzer offers full-service impact services, from developing impact-oriented strategies to full-impact studies and data solutions, reporting and providing advice aimed at accountability and improvements. Customised advice, in line with international standards and frameworks, based on sound sector knowledge – from healthcare to circularity.

Part of Grant Thornton

Since 1 January 2019, Sinzer has been part of the accountancy and consultancy firm, Grant Thornton, a network of more than 50,000 professionals in 135 countries. The shared objective is to focus on making social value just as normal as focusing on financial value.

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