



CLEAN GROWTH INVESTMENT MANAGEMENT

Sustainability Report

2025 / 2026

A return on capital, and a return on carbon - backing the
UK's most promising early-stage climate technologies.

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The year in numbers

19

portfolio companies in CGF I

27m

tonnes CO₂e/yr potential
abatement by 2030

46m

tonnes CO₂e cumulative
abatement projected by 2030

664

people employed, all paid at
least a Real Living Wage

33%

of portfolio jobs in the UK's
most deprived regions

18t

CGIM's own 2025 footprint
(~2t per employee)

133.8

B Corp impact score (80
needed to certify)

16 / 19

companies awarded Innovate
UK funding

14 / 17

UN Sustainable Development
Goals contributed to

Figures cover Clean Growth Fund I as at 31 December 2025. Avoided-emissions figures are model-based estimates of greenhouse gas emissions that may be avoided relative to a counterfactual; they do not represent actual emissions reductions and are subject to uncertainty.



Beverley Gower-Jones

Founder & Managing Partner

The transition to a clean economy is the largest economic opportunity of our generation - the wholesale reinvention of how the world makes energy, food, materials, chemicals and the things we use every day.

I did not arrive at that view through idealism. I spent the first twenty years of my career in the energy industry, and I came to see, from the inside, that the global energy system was going to change profoundly - and that whoever backed the technologies driving that change stood to build enormous value. I have spent the two decades since acting on that judgement.

If anything, the case has strengthened. The shocks of recent years, from energy price crises to fractured supply chains and a sharpened geopolitics, have taught governments and industry a hard lesson: dependence on imported energy, materials and technology is a strategic vulnerability. Security of supply, resilience and sovereign capability now sit alongside cost and carbon in every serious industrial decision. And the technologies that answer those concerns are, overwhelmingly, the same ones that cut emissions: homegrown clean power, domestic supply of critical materials, more efficient use of energy and resources. Decarbonisation and national resilience are no longer separate agendas; they are the same project.

Nor does the extraordinary build-out of artificial intelligence challenge that thesis; it compounds it. Some will say AI, not climate, is the defining market of our time. But AI runs straight into an energy problem: data centres demanding clean, firm power at a scale the grid was never designed to supply. Meeting that demand takes precisely the technologies we back: energy-efficient computing, renewables and storage, grid innovation, low-carbon construction materials. Rising energy demand does not crowd out the transition; it makes it more urgent and more valuable. All of this is additive to what we believed when we founded Clean Growth Fund. Climate change is the defining challenge of our time; it is also the defining market of it. The question that matters now is not whether the transition happens, but who builds it, where, and who captures the value it creates. My answer is that Britain can and should be one of the places that builds it.

"Climate change is the defining challenge of our time; it is also the defining **market** of it."

This is not, for the most part, a software problem. The emissions that matter are locked into physical processes - kilns and reactors, engines and supply chains - and shifting them takes real technology, engineered and scaled in the real world. That is harder, slower and more capital-intensive than the businesses generalist venture capital is built for, and it is precisely why so much of it goes unfunded. It is also exactly where we choose to invest. We back the UK's most promising early-stage companies whose technologies cut greenhouse gas emissions, and we do it with the expertise to know which of them can truly work.

That expertise is our single greatest differentiator. We are a specialist climate-tech investor, not a generalist fund that happens to have a climate theme. Our team brings more than 80 years of combined experience working with climate-technology start-ups, spanning engineering, technology commercialisation and investment - people who can read the science, stress-test a carbon case, and sit alongside a founder through the hard problems of scaling. Founders feel that difference, and it is why the best of them choose to work with us.

It is reinforced by something few investors can offer. This year marks the 20th anniversary of our sister company, Carbon Limiting Technologies, the UK's most established early-stage cleantech incubator, through which I have spent two decades helping innovators commercialise and grow. CGF's founders gain access to that network of specialist venture partners, working hands-on to solve the specific commercial and technical challenges each company must crack. Expert capital, in other words, backed by expert support.

We invest for a dual return, a return on capital and a return on carbon, and I am unapologetic that the two are inseparable. We succeed financially precisely by backing the companies making the biggest dent in emissions. And because our mandate is resolutely UK-focused, succeeding on those terms delivers something larger still: new industries and good-quality jobs in regions across the country, a clean economy grown from homegrown innovation rather than imported technology, and a Britain more secure in its energy, its materials and its industrial base. The pages that follow show that impact taking shape - in carbon abated, in companies scaled, and in communities from Merseyside to Belfast.

This report is our account of that work, and of the standards we hold ourselves to. It is, by its nature, a work in progress - our companies are young, the methodologies are still maturing, and we would rather report honestly than overstate. But the direction is unmistakable, and my conviction has only deepened: the technologies that will decarbonise the global economy can be built here, by British companies, backed by investors who understand them. That is the future we are choosing to fund.



Lauren Juliff

Head of Investor Relations & Sustainability

We are at an inflection point for net-zero investment strategy - recent announcements by large asset owners, both in the UK¹ and abroad², demonstrate a shift in focus from portfolio decarbonisation to investing in real world decarbonisation and solutions.

The regulatory emphasis on corporate and portfolio emissions accounting and transparency has led to an increasing industry recognition that emissions reduction trajectories are missing a vital piece of the transition pathway. As we transition away from our traditional fossil powered economy, our new clean economy requires solutions, alternatives for power, industry, transport, food, agriculture, waste and the whole value chain of petrochemical products. The transition requires productive capital flowing into innovation, growing new companies, industries and good-quality jobs.

Decarbonisation trajectories and individual company science-based targets (SBT) still matter, they show us where value chain decarbonisation pinch points exist and where start-up technologies are needed. So, although net-zero terminology may no longer be en vogue and investors are reconsidering their emissions intensity reduction targets, the actions behind the statements are encouraging. Asset owners are now shifting their attention to how they can grow exposure to the clean economy through private markets allocations, to benefit from the clean industrial revolution and simultaneously engage in real, local, place-based impact.

The UK government has indicated that it strongly supports the growth of the clean economy and its associated co-benefits. The latest CBI report shows that the clean economy is bringing growth and higher productivity to all regions across the UK, generating £1.85 in economic value for every £1 invested and creating jobs with 11% higher wages than the UK average⁴. The targets set under the UK's climate commitments forecast a continued investment of £26 billion p.a., demonstrating that a huge investment opportunity exists to continue expanding the UK's net zero growth engine⁵.

The net zero economy is growing more than three times faster than the overall UK economy³, further supporting our investment thesis at the Clean Growth Fund.

The UK is a breeding ground for technological innovation, home to some of the world's best universities and innovators. It is also Europe's largest venture capital market and its leading unicorn engine⁶ - yet it overwhelmingly benefits overseas investors, who provide the lion's share of early-stage capital⁷.

The Chancellor's Mansion House proposals aim to change this by consolidating local government pension schemes (LGPS) into pools and channeling UK capital into homegrown innovation. Our experience demonstrates that the place-based investment logic is best applied at the national level at the early, incubation stage for technological innovation. The R&D innovation location is not necessarily the location of the ongoing place-based impact as companies scale and grow to open facilities further afield.

Investing in a UK wide, diversified fund with a range of innovations helps to de-risk novel VC allocations for UK pension schemes, while also offering place-based opportunities and the potential for follow-on, regionally-specific, co-investments.

Consolidating pension capital into super-funds theoretically broadens access to diversifying and productive investment opportunities such as VC. Writing smaller cheques into a diversified set of underlying funds can resolve the cheque-size mismatch that consolidation risks creating, allowing pools to channel capital into regional growth and net-zero innovation. Without this, UK pension capital will arrive only at Series C and later - by which point promising start-ups will have been swept up by US or European funds. The UK ranks fourth globally for unicorns, behind only the US, China and India. If UK pension capital is to benefit from those unicorns, it needs to be prepared to invest in the sparkles (apparently the term for a baby unicorn) - and accept the occasional dud.

In this report, we use live examples from the Clean Growth Fund portfolio to illustrate opportunities for investors to engage in systems-level thinking; invest in the value chain solutions large corporates need to meet their decarbonisation targets; contribute to place-based impact; and take part in the clean industrial revolution. We also demonstrate the strong links between climate investment, social impact and nature-based outcomes.

We aim to demonstrate the value of forward-looking climate metrics, such as abatement potential, relative to the operational emissions of climate tech solutions, and illustrate the tangible local social and nature co-benefits.

The recent fossil fuel crisis further underscores the case for the clean transition - in terms of cost to the economy, energy and food security, and sovereignty. The net cost of achieving the government's 2050 net-zero target is "cheaper than a single major fossil fuel price shock."⁸

Net zero is an economic imperative with multi-faceted co-benefits for society. Where asset owners can make the greatest difference is by directing capital into the companies of the future, stimulating growth in UK clean-tech innovation - a more powerful lever than corporate or policy engagement alone.



SECTION 01

Vision, Mission & Impact Principles

Who we are, what we are here to do, and the four principles against which we hold ourselves to account.



Vision · Mission · Purpose

We aim to deliver a return on capital and a return on carbon, through investment in UK start-up companies.

OUR VISION

A more sustainable world, built by UK-led climate-tech innovation.

OUR MISSION

To invest in the UK's most promising early-stage companies whose technologies reduce greenhouse gas emissions, backing them with expert, active support to scale. In doing so we deliver a return on capital for our investors, and grow a clean economy that brings new industries and good-quality jobs to regions across the UK.

OUR PURPOSE

We believe climate change is the greatest threat humanity faces, and that innovation is essential to solving it. We exist to channel capital into the technologies that decarbonise the global economy, back the founders building them, and capture the economic opportunity this transition creates for our investors and for the UK.

The Four CGIM Impact Principles

We present data and case studies throughout this report aligned with four principles.

● Environmental

Carbon case

Every investment must show potential to abate at least 100,000 tonnes CO₂e p.a. at scale - built bottom-up, tested against a counterfactual and independently verified.

Climate-specific, sector-agnostic

Backing emissions-reducing innovation across power, industry, buildings, transport, agrifood and the circular economy.

● Systems

Achieving net zero

Systems-level thinking to fund the technologies with the greatest real-world abatement potential - those that scale fastest because they deliver commercial benefit alongside carbon benefit.

Policy advocacy

Connecting UK pension and institutional capital with the country's climate innovators.

● Social

Quality jobs for a just transition

Investing in companies creating decent, well-paid jobs to support a just transition to a clean economy.

Encouraging workplaces that are open to all, where everyone can contribute and thrive.

Co-benefits of climate action

Energy, resource and food sovereignty; cleaner air; warmer, healthier buildings; stronger industrial competitiveness.

● Place-based

UK-wide

Growing the UK clean economy regionally and nationally, building on each region's existing strengths.

Diversified

Investing right across the UK - regenerating local environments into cleaner, healthier places to live.

Profit with purpose

FROM EVERY INVESTMENT

A Return on Capital

INSEPARABLE FROM

A Return on Carbon

Our goal is to deliver returns to our investors through genuine good profit with purpose. From every investment we seek a dual outcome: a Return on Capital and a Return on Carbon.

The two are inseparable in our investment case as we succeed financially precisely by backing the companies making the biggest dent in emissions. As a UK-focused clean tech investor, succeeding on these terms delivers something bigger still: the growth of a UK clean economy, bringing new industries and good-quality jobs to regions across the country. A stronger, more connected ecosystem for UK clean tech follows from this, a valuable consequence of how we invest. Our investment approach encompasses five key pillars.

01 Expert active management

We are a specialist climate-tech investor, not a generalist VC - and that is by design. Our team brings more than 80 years of combined experience working with climate technology start-ups, with deep expertise spanning technology commercialisation, engineering and investment. Unlike generalist investors, who may lack the technical grounding to understand climate technologies or properly assess their impact, we know how to find, value and actively manage these businesses.

Stewardship is a central pillar of our investment strategy. As active investors, we take board seats in every portfolio company and use this position to support strong governance, advance climate impact, and promote the responsible growth of the businesses we back. Our stewardship efforts are driven by a clear objective: to help each company reach its full potential - commercially, operationally, and in terms of its environmental and social contribution.

02 **Rigorous, verified carbon case**

A Return on Carbon means little without rigour behind it. Before we invest, every company must demonstrate a credible carbon case: the potential to abate at least 100,000 tonnes of CO₂e a year once its technology is commercialised and scaled. This case is built bottom-up by the company and projected forward to demonstrate abatement at scale. It is then independently reviewed by a sector expert against a defined counterfactual. It forms the foundation of our investment decision and the baseline against which we monitor real-world abatement throughout our ownership.

03 **Founder-friendly support**

We work closely with founders and executive teams, offering strategic guidance, sharing benchmarking data from across our portfolio, and facilitating introductions to advisors or co-investors with relevant experience. We are mission driven, a feature which is critical to our portfolio management and investment thesis as founders of climate technology businesses often seek mission alignment from their investors.

Post investment, founders also gain access to our sister company, Carbon Limiting Technologies (CLT) - the UK's most established early-stage cleantech incubator, which has helped hundreds of entrepreneurs grow and commercialise their businesses. Through CLT we can call on a network of specialist venture partners with deep, sector-specific expertise, who work hands-on alongside founding teams to solve the specific commercial and technical problems each company must crack to scale.

04 **Developing networks**

Our investment strategy goes well beyond the boundaries of the period over which we hold a company in our portfolio. We are contributing to the growth of a new, clean UK economy which involves being market makers, connecting policy engagement, science, technology development and investment. A key goal of our team is to be well integrated in the climate tech ecosystem, building relationships with universities, policymakers, corporates and other investors, to ensure we can source the best deals across the UK and conduct well managed exits that retain both product and business integrity.

05 Profit with Purpose

The Clean Growth Fund (CGF) was established to drive progress and innovation in climate change solutions by investing in the most impactful early-stage clean tech companies in the UK. Our portfolio aims to accelerate the energy transition and increase resource efficiency, which will have the co-benefit of positive societal outcomes, both in the UK and globally.

We are a B-Corp, which demonstrates impact across a range of areas including workers, community and customers alongside environment and governance.



133.8
B CORP IMPACT SCORE

Scoring highly on Impact

CGF achieved a B Corp Impact Assessment Score of 133.8, significantly exceeding the minimum requirement of 80 points needed for certification. There are only 11 other fund managers in the UK of similar employee size to CGF that are B Corp certified in Equity Investing - and the average score for these companies is 100.

IN THE WORDS OF OUR FOUNDERS

“

CGF has been an exceptional partner to us, far more than just a source of capital. Their team brings deep operational experience, sector insight, and a genuine understanding of what it takes to build and scale a climate tech business. They've consistently added value, whether by helping us refine our strategy, navigate challenges, or make critical industry connections. What really sets CGF apart is their commitment: no matter how busy things get, they've always made time to support us. Their thoughtful, hands-on approach has been instrumental to our progress, and it's clear they're truly invested in our long-term success.

”

Orla Shields

Founder & CEO, Kamma



SECTION 02

Data & Discussion

Tracking carbon, jobs and governance across the portfolio - reported transparently, including where the picture is still incomplete.



How we measure the portfolio

There are **19 companies** in Clean Growth Fund I. Every year we conduct an ESG assessment across the portfolio, tracking KPIs relevant to the businesses and to our progress as a fund. Each company completes a questionnaire spanning the three ESG pillars: **environmental** (principally carbon and emissions), **social** (jobs, pay, wellbeing and team diversity), and **governance** (board independence, policies and the handling of any ESG incidents).

● Environmental

Carbon abatement potential & operational emissions

● Social

Jobs, pay, wellbeing & team diversity

● Governance

Board independence, policies & incidents

Carbon-case coverage this year

All but three companies have assessed their carbon case and provided updated sales projections. For the three that have not:

- One is undergoing an investment round with new financial projections, after which a new carbon case will be completed; until then we use the case produced at investment and reported in 2024.
- One has shifted strategic direction - its product no longer aligns with our climate thesis and we do not intend to provide follow-on funding - so we have removed its projections from our model.
- One has not responded to our annual survey, so we have used actual 2025 sales from the board pack and rolled them forward, so as not to over-estimate future sales.

NOTE Avoided-emissions figures are model-based estimates of greenhouse gas emissions that may have been avoided through portfolio activities, relative to a counterfactual based on incumbent technologies. They do not represent actual emissions reductions, rely on assumptions about what would otherwise have occurred, are subject to uncertainty and may change over time.

Portfolio projected to abate 46m tCO₂e by 2030

On current sales projections our companies have the potential to abate **27m tCO₂e per year** by 2030 - over 1.5x the carbon absorbed by all UK forests - building to **46m tCO₂e** cumulatively since investment, almost equal to the annual emissions of the entire UK agriculture sector. Carbon abatement is a condition of investment: every company must show it can abate at least 100,000 tonnes of CO₂e at commercial scale before we commit capital.

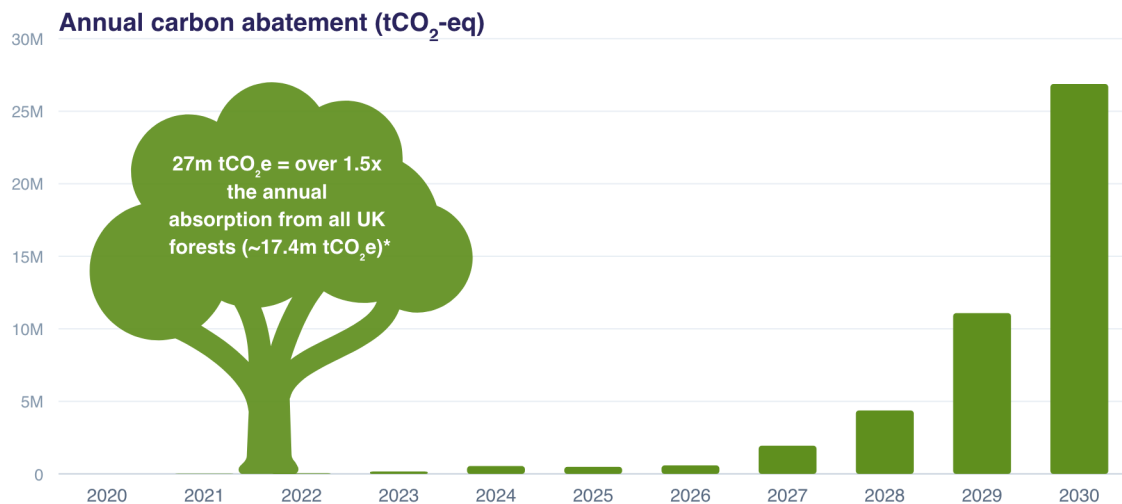


Figure 1. Projected annual portfolio carbon abatement, all CGF I companies combined (tCO₂e). *Source: UK JNCC, Dec 2025.

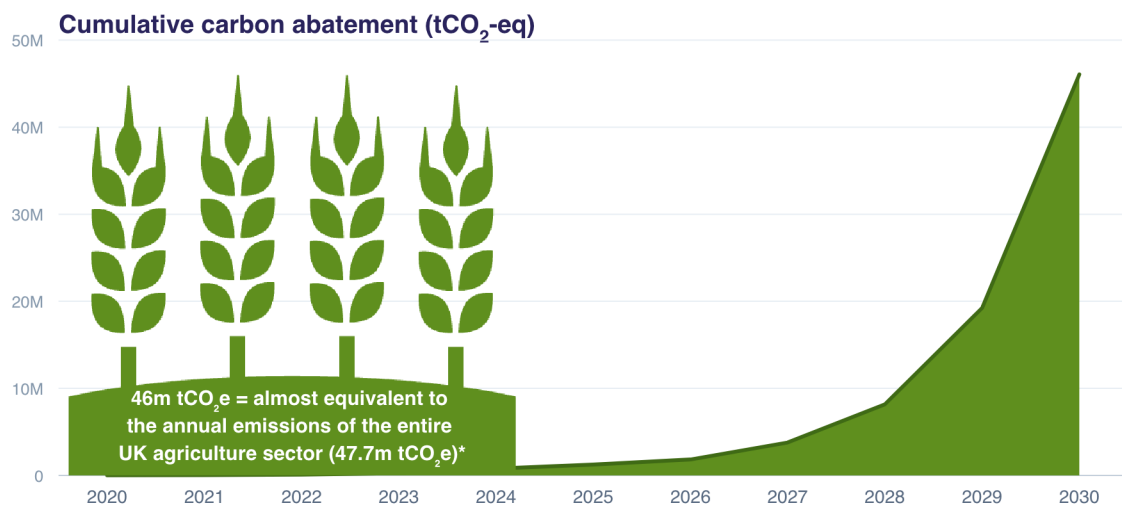


Figure 2. Projected cumulative portfolio carbon abatement since investment, all CGF I companies combined (tCO₂e).

*Agriculture comparison source: UK Gov Agri-Climate Report 2024.

These projections depend on early-stage companies scaling and commercialising their technologies; we apply deliberately conservative assumptions throughout our carbon and commercial modelling. Each carbon case is independently verified by an expert in the field. Going forward we are keen to contribute to industry best practice on how to establish portfolio level reporting and methodologies for carbon abatement, due to the lack of a standardised approach and the importance of accounting for this in the climate risk and opportunity assessments of carbon solutions companies.

Portfolio operational emissions for 2025

Climate-risk reporting today focuses on operational and value-chain emissions (Scope 1, 2 and 3). There is, as yet, no industry-recognised standard for presenting a company's forward-looking abatement potential - often called avoided emissions or "Scope 4". Without it, emissions-based frameworks such as TCFD fail to capture the climate *opportunity* of investing in a climate-solutions company.

Our investments are small, scaling climate technology businesses. Their operational emissions (Scope 1 and 2) are low but will naturally rise as the companies grow. Their value-chain emissions (Scope 3), meanwhile, give an incomplete picture of their true value-chain impact - which, for a climate solution, is positive by definition. We ask every company to report Scope 1, 2 and 3 emissions; not all are yet able to provide data at this level, and all sit well below the UK government's mandatory SECR thresholds (more than 250 employees, turnover of more than £36m, or a balance sheet of more than £18m)⁹. We treat this not as a compliance exercise but as a way to promote best practice and build learning and support across the portfolio. This year **11 companies** reported at least partial data and **8 companies** (half of the portfolio) reported across all three scopes.

5,912.25 t

CO₂e operational emissions reported for 2025

481,901 t

CO₂e portfolio abatement for 2025

People across the portfolio

Every year we send an "ESG" questionnaire to the management teams of each portfolio company, and ask them to survey their employees. The aim is not simply compliance but to embed good practices within their workforces and leadership teams.

Our portfolio consists of early-stage companies in various stages of development, so they differ in their ability to report this information and completion rates vary widely. We have provided company and employee numbers alongside each chart for context and report the data transparently; a full data breakdown is available in the data supplement on request. This year:

8 companies actively track diversity across their workforce

10 companies conducted an employee survey

15 companies have been able to provide some D&I data

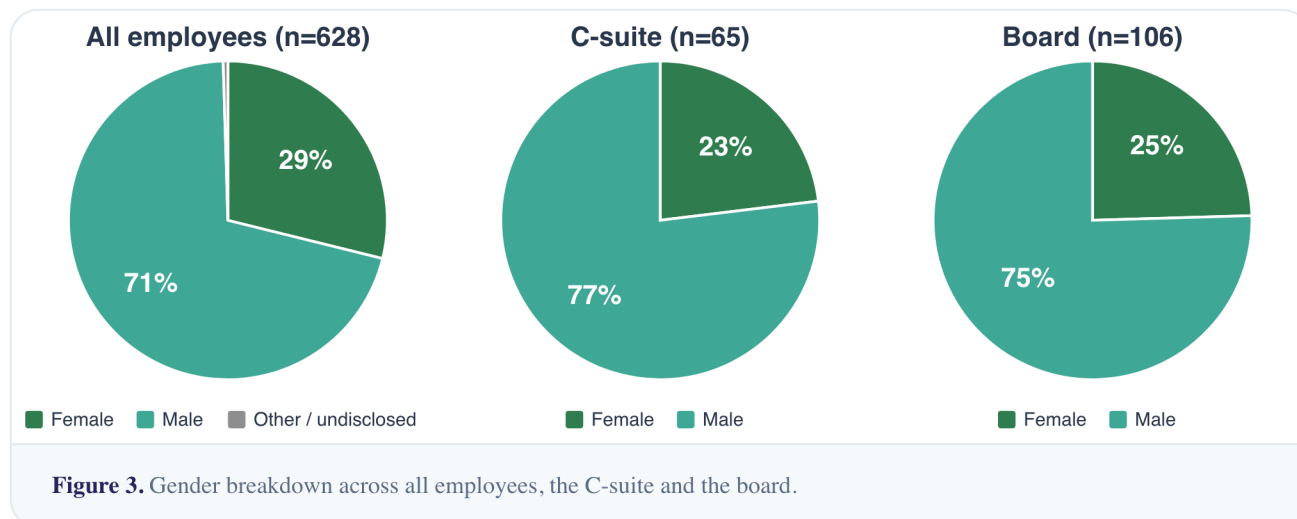
664 people employed across the portfolio in total, all paid at least a Real Living Wage

285 / 223 new hires and leavers across the portfolio during 2025, a 5% increase

33% (200) of employees in our portfolio work in the most deprived regions of the country by postcode

Gender across the portfolio

Figure 3 shows the gender breakdown across the portfolio in three groups: all employees, the C-suite and the board.



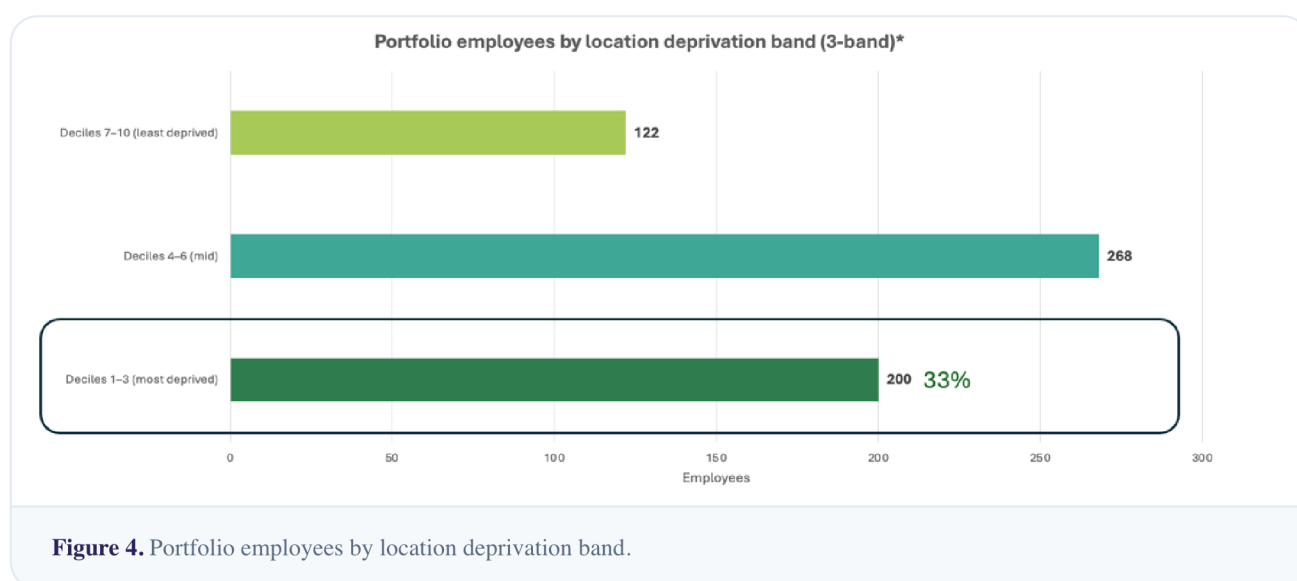
ESG VC and BVCA research finds that 45% of European VC-backed startups have no women on their board. Against this benchmark our portfolio compares well: around **79% of CGF companies have at least one woman on the board**. Board-level diversity remains challenging at this stage - pre-revenue companies tend to have small boards made up of founders and investor directors, which limits the scope for representation, and four companies still have all-male boards. We are committed to addressing this through 2026, with the goal of at least one female director on every portfolio board.

Charts representing portfolio-level age diversity, ethnic diversity, religious diversity, neurodiversity, sexual orientation, disability, social mobility and caring responsibilities are provided in the accompanying appendix to this document, which is available to LPs on request.

Where the jobs land

Our impact thesis is environmental first and foremost; we invest in our companies based on their potential to abate CO₂, while building commercially successful businesses. But climate mitigation and adaptation bring many social co-benefits too.

Our mandate to invest in start-up businesses from across the UK, building a portfolio which is diversified both in terms of region and sector, creates a further meaningful co-benefit: the growth of the UK clean economy, bringing jobs and industry to regions all across the country. Location is not an investment criterion; we select companies on their commercial and climate potential, wherever they are based. We believe climate innovation exists right across the UK, not only in a handful of cities, and we go the extra mile to seek out the country's most promising climate-tech companies wherever they are - and because our reach is genuinely UK-wide, we can see where that economic activity lands. As an illustration, we have plotted each company's employee locations against the regional deprivation indices for England, Northern Ireland and Scotland¹⁰.



*Source: Portfolio location data by postcode has been mapped to the online government published local deprivation indices for England, Northern Ireland and Scotland. Note - Northern Ireland is, on average, more deprived than England, requiring some rescaling on a composite basis for overall comparison. Even NI's least-deprived SOAs (NIMDM decile 10) re-decile to roughly UK-wide decile 5-6 on an English-methodology basis. Our Belfast portfolio company location is in NIMDM decile 9, which maps approximately to the UK composite as decile 4-5.

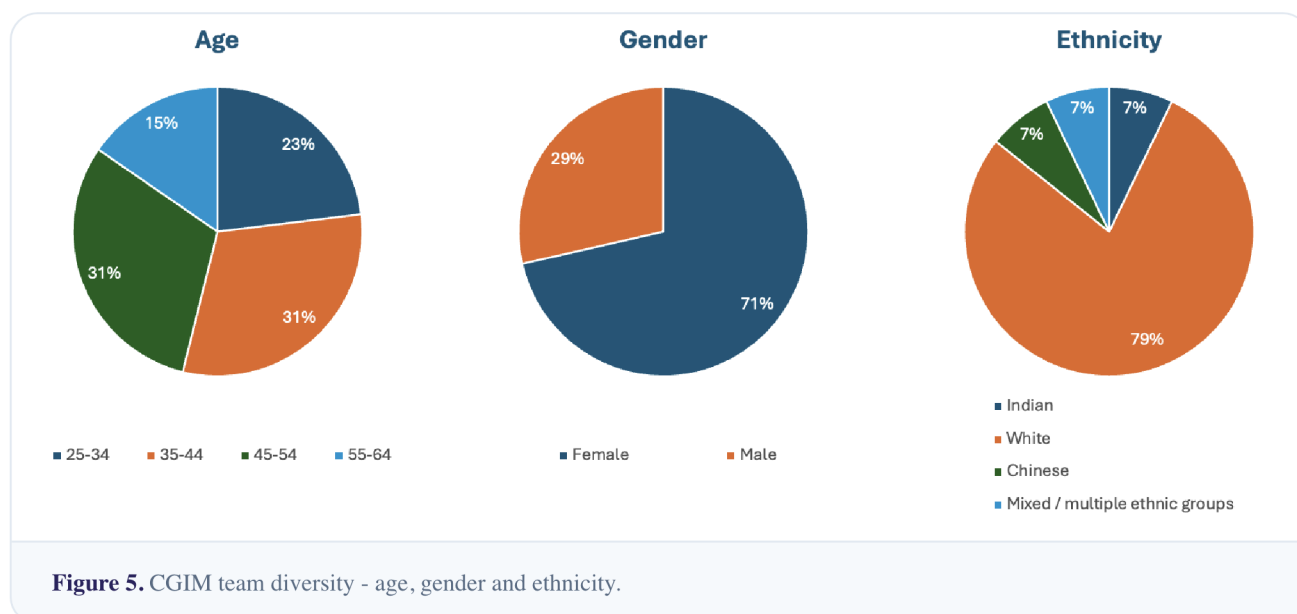
200

people - **one third of all portfolio employees** - work in the most deprived regions of the UK by postcode.

Our own team

Clean Growth Investment Management is a mission-driven, female-founded and led organisation, with a socially diverse team drawn from varied backgrounds and spanning a range of sexual orientations and belief systems. Half of our workforce attended state-run or state-funded schools, 21% were eligible for free school meals, while 14% went to an independent or fee-paying school; 36% attended school outside the UK. We undertake annual volunteering activities to contribute to the local community and nature-related organisations.

CGIM is a flexible and understanding employer. Half of our employees are the primary carer for a child and 14% work part-time. Women make up **71%** of our workforce. We value diversity in all its forms and see gender balance as part of that, so as we grow we are committed to broadening our recruitment to bring more men into the team and balance the gender ratio.



71%

women in the workforce

50%

state-educated

21%

free-school-meal eligible

Governance

Alongside environmental and social metrics, we track the occurrence of ESG incidents, which policies our companies have in place and whether they have independent board input. In 2025:

0

ESG incidents reported across the portfolio in 2025

80%+

have H&S, anti-discrimination, D&I, code-of-conduct & anti-bribery policies

3

companies without an independent board member

There is room for improvement on adoption of policies relating to supply chain, sustainability/environment, human rights and responsible AI - areas we will encourage through 2026.

Our own footprint

Aligned with our portfolio goal - investing in companies that reduce greenhouse gas emissions and grow the clean economy - we are equally mindful of our own operational footprint. Our sustainability policy requires employees to travel by low-carbon means and we track the resulting emissions through our expenses system.

We estimate our footprint using the industry-standard GHG Protocol approach, combined with the annual emissions factors published by the UK Government's Department for Energy Security and Net Zero (DESNZ). This covers our Scope 1 and 2 emissions and the Scope 3 categories within our direct operational control - principally business travel, commuting and office activity. It does not attempt to capture financed emissions - the emissions of our portfolio companies - which would be our single largest Scope 3 category, but for which no agreed measurement methodology yet exists for an early-stage climate VC.

18t

CO₂e total, 2025

Under 2 tonnes per employee

An average of just under 2 tCO₂e per employee for 2025.

Few VC firms publish their Scope 1–3 emissions, which makes direct comparison or benchmarking difficult. The publicly available figures we could find suggest we are operating from a relatively low base, which we will seek to maintain or improve upon during 2026. We were able to find emissions reporting for some large global asset managers and a European climate fund; their per-employee emissions ranged from 3.4 tCO₂e to 5.8 tCO₂e. We sit well below this range.



COMPANIES IN THIS SECTION

AmpliSi

 **Gigaton**

Nuada
Capturing the future

KAMMA


holiferm

 **CLEAN
FOOD
GROUP**

 **RENDESCO**

 **SUNSWAP**

SECTION 03

Case Studies by Impact Principle

Live examples from the portfolio - environmental, systems, place-based and social impact, shown through the companies we back.



Climate is the golden thread

Our primary, purpose-driven impact as an investment firm is environmental; reducing global carbon emissions and growing the UK net-zero economy sit at the core of our investment thesis. Climate impact is the golden thread running through every investment we make. But while we are climate-specific, we are deliberately sector-agnostic - investing across industries in a wide range of innovations. Climate change will not be solved by decarbonising energy alone; it needs solutions right across the value chain - in transport, industry, buildings, circular economy and AgriFood, as well as power and energy.

Because our investments differ so widely - in sector, business and product type - they are not easily compared side by side. The single most important metric we monitor on an annual basis is the projected carbon abatement for each company, developed as part of its investment case, alongside actual annual abatement for those already in production. Many other company-specific factors are better captured through case studies, which is how we present them here.

Our environmental case studies are presented in two parts. The first focuses on the carbon case we develop for each and every investment; the second is a profile on nature-related risks and opportunities in our portfolio.

CARBON CASE EXAMPLES

The climate impact, presented as a documented and independently verified carbon case, is a key part of the investment recommendation presented to our investment committee for any potential new investment. The carbon case is provided by the company as a self-assessment, and we then employ an expert in the field (academic or similar) to verify the case and the assumptions used. During Q1 2026, we made our first investment for Fund II, which presents an interesting case to help our LPs and network understand this process.

AmpliSi

Fund II · Battery anode materials



In March 2026, CGF II invested in AmpliSi, an early stage start-up company developing a scalable, low-temperature manufacturing process for porous silicon (pSi) anode materials, enabling higher-energy, lower-cost lithium-ion batteries with faster charging and longer range, supporting global decarbonisation.

Company self-assessment

AmpliSi compared the CO₂ emissions of pSi with incumbent graphite anodes, covering raw material extraction, reduction, purification and washing. Emissions were assessed on a GWh (gigawatt-hour) basis, reflecting functional equivalence: because of pSi's significantly higher energy capacity (2,200 mAh/g versus 320 mAh/g for graphite), only 122 tonnes of pSi are required per GWh of battery capacity, compared with 1,000 tonnes of graphite.

The conclusion of their study is that 655,000 tonnes of CO₂e emissions are saved by replacing 100 GWh of graphite with 100 GWh of AmpliSi's porous silicon. This is achievable by 2035 with AmpliSi's production scaling plan, and represents 1 million electric vehicles (1.4% market share in 2035).

655k

tonnes CO₂e saved per 100 GWh of graphite replaced - equivalent to **1 million electric vehicles** by 2035.

Further emissions reductions could be achieved through improved magnesium efficiency and recovery, lower-carbon magnesium supply, optimisation at industrial scale, and higher silicon loading in markets such as consumer electronics. Higher-performance batteries also enable smaller, lighter packs with lower embodied carbon.

Independent expert review

The carbon case was independently reviewed by Minviro, an LCA (lifecycle assessment) consultancy specialising in metals and batteries. The assessment included credibility checking across emission-factor data, critical assumptions, Excel calculations and comparability against other product systems, as well as their expert thoughts on how the direction of the industry may affect future emissions.

Minviro confirmed that emissions factors and assumptions were broadly reasonable, that graphite emissions were conservatively estimated, and that key sensitivities did not materially undermine the case.

Gigaton → Previously Carbon Re

Backed Oct 2021 · AI for industrial decarbonisation · cement, steel & glass

Cement accounts for roughly 7% of global greenhouse-gas emissions - more than any single country except China and the United States - and is one of the hardest industrial sectors to abate. Steel adds a further 11%. Together with glass, these foundation industries sit squarely within our hard-to-abate investment thesis.

In October 2021, Clean Growth Fund backed Carbon Re, a young London-based company founded on the conviction that advanced AI could unlock substantial efficiency and emissions savings in these energy-intensive industries. Carbon Re's technical case was built on University of Cambridge research showing that deep reinforcement learning, applied to the kiln process, could reduce fuel-derived emissions by 15–20% per plant. When we first invested, its core product built a digital twin of a manufacturing plant from historical process data and uses a deep reinforcement learning "agent" to continuously recommend adjustments to operating variables such as kiln temperature, air flow, oxygen ratio, humidity and feedstock flow rates.

On the company's own modelling, this product cut energy intensity by around 8% and fuel-derived CO₂ emissions by roughly 19.5% per plant - about 100,000 tonnes of CO₂ avoided each year at a typical large cement plant, clearing our investment hurdle from a single site.

An Imperial College London academic judged the projections conservative, estimating 71–115 Mt CO₂-eq annually as the platform penetrates 30–50% of the global cement market. Extending the same approach to steel and glass multiplies that further.

Carbon Re fit squarely within our thesis: a UK company attacking a global hard-to-abate sector. We were drawn by four things: the size of the commercial opportunity - the product paid for itself by cutting customers' fuel and energy costs, in a vast global market that rewards adoption; the scale of the abatement potential; the rigour of the underlying research; and a founding team combining mission, AI expertise and deep industrial process knowledge.

The journey

Over four and a half years we followed our conviction through four rounds, co-investing with UCL Technology Fund, University of Cambridge funds, Planet A and ultimately Plural Platform as Series A lead. Through this period the company deliberately narrowed its initial focus to cement - while laying the technical foundations of a platform that can generalise to adjacent industries. The 2024 round was pivotal: as active investors, we and the syndicate backed the appointment of Josh Vernon as CEO, a step change in operating leadership that has since transformed execution across the business.

Carbon Re today - 'Gigaton'

Carbon Re originally developed an AI-powered optimisation and recommendation layer on top of legacy process control software - which it still delivers for select clients. However, it has gone far further to now by developing a complete, physics-based AI process controller which replaces legacy systems with fully autonomous AI-powered process control. The company is bringing the next generation of industrial process control to market enabling the most energy intensive industries to leverage the power of AI.

By the April 2026 Series A, the company had signed nine paying cement contracts across six customers. Published results from early deployments show 20–30% improvements in process stability, clinker reduction, reduction in fuel consumption and an increase in alternative-fuel use. Following a competitive and successful Series A round Carbon Re rebranded as Gigaton and now positions itself as the "AI Operating System for Industrial Decarbonisation" - a more ambitious expression of the vision we first underwrote in 2021.

RETURN ON CARBON

36 Mt by 2030

Realised abatement is early - just over 5,000 tCO₂e to end-2025, with installations only beginning to ramp - scaling steeply to roughly 36 Mt cumulative by 2030 as contracted plants come online.

RETURN ON CAPITAL

Early stage

The commercial model is proven and contracted revenue is building; strong evidence of industry adoption including customer expansion orders (fleet-wide roll out).

Gigaton is a characteristic CGF investment: a technically rigorous UK climate company, tackling a hard-to-abate sector at gigaton scale, backed early and supported through the leadership and business-model evolutions required to reach Series A. It shows how specialist capital, patient conviction and active partnership can help a mission-driven team become an emerging leader in industrial decarbonisation.

Nature-related impacts & opportunities

Climate change is one of the five drivers of nature loss, so our impact goal as a firm - to contribute to the net-zero economy by funding and developing climate solutions - is closely bound up with nature. The climate crisis and the loss of nature and biodiversity are deeply interconnected, and so are their solutions. CGIM invests in climate-tech innovation across a broad range of sectors, and many of our companies have meaningful impacts on, and dependencies upon, nature.

We have selected the six companies in CGF I with the most material nature-related connections (Clean Food Group, HutanBio, FA Bio, HydRegen, Arda and Holiferm) and conducted a brief, high-level analysis using the LEAP approach (Locate, Evaluate, Assess, Prepare) and the TNFD framework. These companies sit at the intersection of food systems, agriculture, industrial chemistry and materials - sectors closely linked to land use, biodiversity, soil health, freshwater and the marine environment.

Consistent with our proportionate approach to TCFD, we have not adopted formal nature targets or metrics aligned to TNFD, and we do not consider it appropriate to require full TNFD-style assessment of companies at this stage. Many are early, pre-revenue businesses for which that level of reporting is neither readily available nor especially meaningful. This should therefore be read as an initial, high-level assessment sized to our companies and our portfolio.

In summary, our LEAP assessment demonstrates some material nature-positive opportunities across our portfolio of climate-solutions companies. Most arise through displacement - where the solution substitutes a high-impact incumbent such as palm oil, animal leather, heavy-metal catalysts and synthetic surfactants. The nature-related risks are mostly physical, chiefly potential disruption to feedstocks, but we believe they are materially outweighed by the opportunities. We also see a recurring transition and regulatory opportunity, as demand grows for compliant product substitutions following regulations related to deforestation, sustainable production and conservation.

We intend to share this analysis with our companies to encourage oversight of their nature-related dependencies, impacts, risks and opportunities, and to gather their feedback. It would not be appropriate to overburden our start-ups with formal nature-related reporting requirements or, for example, scenario resilience testing. Like our place-based impact, we treat nature as an output of investing in climate solutions - something we track and report on, rather than a target we set or require of our companies. From this initial assessment, the most material topics across the portfolio relate to feedstock sourcing, regulatory developments, impacts on local communities and product displacement opportunities.

Clean Food Group

Clean Food Group uses its proprietary CLEANOilCell™ yeast fermentation technology to produce sustainable oils and fats that functionally replace palm oil and cocoa butter. Commercial partnerships combined with independently verified LCAs show a 90% reduction in GHG emissions versus traditional palm oil, positioning the company as a direct solution to one of the food system's most damaging nature-related supply-chain risks.

Nature angle: Yeast-fermented palm/cocoa-butter replacement; 90% LCA-verified GHG cut; avoids palm-oil deforestation.
Key risk: novel-food approval delays.

HutanBio

HutanBio produces scalable, drop-in algal biofuels for aviation, shipping and heavy industry using its proprietary HBx microalgae strain, grown in closed-loop photobioreactors on non-arable coastal and desert land. By bioprospecting marine environments for strain selection and targeting Oman, Morocco and Western Australia for initial commercial facilities, the business has both direct dependencies on marine and terrestrial ecosystems and a strong positive nature narrative through avoided land-use change versus crop-based biofuels.

Nature angle: Algal biofuel on non-arable land; net-negative LCA using captured CO₂; distinct ocean exposure under regulatory (Nagoya/BBNJ) obligations.

FA Bio

FA Bio discovers and commercialises natural soil microbes as biofungicides, bioinsecticides, biostimulants and growth promoters to reduce synthetic fertiliser and pesticide use in agriculture. Its proprietary SporSenZ field-deployable sensor technology attracts and isolates active microbes directly from soil across diverse global locations, building a library of strains that are screened, formulated and validated in field trials. FA Bio operates at the most direct interface with nature of any company in the CGF portfolio - its core product is healthy, biodiverse soil.

Nature angle: Soil microbes replacing agrochemicals; the only direct portfolio nature dependency - degraded soil erodes its discovery pipeline (a reinforcing virtuous cycle when products work).

HydRegen

HydRegen engineers novel biocatalysts that replace toxic heavy-metal-oxide catalysts such as palladium and platinum in pharmaceutical and fine-chemical hydrogenation processes. The nature connection is largely upstream (mining impacts of rare metals) and downstream (hazardous waste disposal into soil and water systems). LCA validation shows 40–50% cost and carbon savings versus conventional processes.

Nature angle: Biocatalysts replacing palladium/platinum; 40–50% cost/carbon savings; insulated from rare-metal supply risk. Impact is indirect (mining/waste).

Arda Biomaterials

Arda Biomaterials uses supramolecular chemistry to transform brewers' and distillers' spent grain into New Grain™, a high-performance leather-like material. By creating a circular supply chain anchored to brewery waste, Arda addresses three significant nature-related impacts simultaneously: the deforestation and methane emissions linked to livestock leather, the petrochemical footprint of synthetic PU/PVC alternatives, and the under-utilisation of organic waste that otherwise contributes to landfill emissions. Commercial pilots signal early market traction across fashion and lifestyle sectors.

Nature angle: Brewery-waste leather alternative; near-zero land footprint; addresses livestock deforestation, tannery pollution and PU/PVC petrochemicals at once. \$450bn+ leather market.

Holiferm

Holiferm produces bio-based surfactants - including sophorolipids -using proprietary fermentation technology coupled with integrated gravity separation. Its commercial facility in Wallasey operates at 1,650 tonnes per year, scaling to 3,500 tonnes. Conventional surfactants used in detergents, cosmetics and personal care are predominantly derived from fossil fuels or tropical oils such as palm-kernel oil and coconut oil, both major drivers of deforestation, biodiversity loss and ecological degradation. Holiferm's fermentation-based approach directly addresses these upstream nature risks while delivering biodegradable, lower-emission alternatives.

Nature angle: Fermented biosurfactants displacing palm-kernel/coconut oil; biodegradable; \$40bn+ surfactants market.

Policy & systems-level engagement

Successful climate-tech investing requires systems-level thinking. We treat policy engagement as a core part of the job - particularly at Seed and Series A, where regulatory tailwinds are decisive for early-stage viability. During 2025/26 we contributed through:

Ministerial engagement

Conference talks and round-tables - including with Minister Chris McDonald MP (Feb 2026) - plus ongoing work across DESNZ, HM Treasury and Innovate UK.

Industry bodies

Membership of UK Private Capital (formerly BVCA), participating in the Green Finance Working Group.

Thought leadership

Three published articles in *Science in Parliament*, on cement innovation, the carbon cost of plastic, and homegrown clean tech.

Direct company support

Hands-on help with targeted policy campaigns and grant-funding applications (see Kamma & Holiferm below).

Published thought leadership

Three articles to date in *Science in Parliament*, the journal of the Parliamentary and Scientific Committee:

- *Concrete Steps to a Greener Planet: the UK's Pioneering Role in Cement Innovation*
- *More than Trash: the Carbon Cost of Plastic*
- *Clean Growth Fund: Powering the UK's Transition to a Low-Carbon Economy through Homegrown Clean Tech*

We also engage academic institutions and contribute to ecosystem-building events for UK climate-tech founders - for example, the CGIM roadshow at the University of Strathclyde's Technology & Innovation Centre in September 2025.

Parliamentary & civic visits to portfolio sites

Giving MPs and officials direct exposure to UK climate-tech innovation in their constituencies. Recent visits include:

JAN 2025

Sunswap (Leatherhead) - Helen Maguire MP (Epsom & Ewell), who subsequently highlighted Sunswap's work during the Climate and Nature Bill debate in Parliament.

MAR 2025

Holiferm (Wallasey) - Dame Angela Eagle MP (Wallasey), at the commercial biosurfactant plant.

MAY 2025

Clean Food Group (Ledbury) - Ellie Chowns MP (North Herefordshire), focusing on fermentation technology for food security.

JUN 2025

Arda Biomaterials (Bermondsey) - Howard Dawber, Deputy Mayor of London, accompanied by UK Private Capital (BVCA), at Arda's new 5,000 sq ft facility.

JUN 2025

Rendesco (Cheltenham) - Max Wilkinson MP (Cheltenham), at a ground-source-heat-equipped retirement community.

SEP 2025

CGIM roadshow, University of Strathclyde's Technology & Innovation Centre - opened by Councillor Richard Bell, Convenor of Strathclyde Pension Fund and Deputy Leader of Glasgow City Council.



SUNSWAP • LEATHERHEAD



SUNSWAP • HELEN MAGUIRE MP



HOLIFERM • WALLASEY



CLEAN FOOD GROUP • ON SITE



ARDA • BERMONDSEY

Kamma

Series A led by CGF in 2023

CGIM has provided sustained policy and stakeholder support to portfolio company Kamma on the design and advocacy of a UK **Salary Sacrifice for Residential Retrofit** scheme, modelled on the established UK Electric Vehicle salary sacrifice scheme. Specifically, CGIM:

- Issued a signed Letter of Support to DESNZ and the Green Homes Finance Accelerator (GHFA), backing Kamma's application for retrofit optimisation and green-financing product development;
- Co-developed the "Salary Sacrifice for Retrofit" whitepaper (UK Government Salary Sacrifice Proposal), prepared with Kamma and a proposed corporate pilot partner. The whitepaper calls for an HMRC sandbox pilot exempting National Insurance contributions and Benefit-in-Kind taxation for residential energy-efficiency retrofits financed via salary sacrifice, with projected net Treasury revenue of c. £525m annually (VAT and income tax), 813 ktCO₂-eq annual emissions savings, and c. 36,000 jobs in the retrofit and renewables supply chain;
- Convened and participated in stakeholder workshops with employers, payroll specialists and policy advisers to refine the operating model and address the technical questions the pilot would need to resolve;
- Continues to support Kamma's direct engagement with DESNZ and HM Treasury to progress the policy ask, including via CGIM's Ministerial round-table participation.

This pattern of post-investment policy support - combining a CGIM Letter of Support, co-authored policy whitepapers, convening of corporate pilot partners and Ministerial engagement - is representative of how the CGIM investment team adds value to portfolio companies whose commercial pathways can be assisted by regulatory or fiscal innovation.



Holiferm

16 of 19 companies have won Innovate UK funding since 2021

We encourage and support our companies to obtain grant and loan funding from Innovate UK. As of 31 March 2026, 16 of our 19 companies have successfully obtained Innovate UK funding since 2021: Above Surveying, Arda, Gigaton (formerly Carbon Re), Clean Food Group, FA Bio, Futraheat, Holiferm, HydRegen, Indra, Nuada, Oriole Networks, Piclo, Rendesco, Sunswap, tepeo and Vector Photonics. CGF I company Holiferm has been awarded a number of these grants, and was recently profiled as a case study for Innovate UK Business Connect's Sustainable Chemicals Innovation Network, "focused on accelerating the defossilisation of the UK chemicals sector and supporting a transition to a more sustainable, high-growth economy".

Holiferm aims to transform the global chemicals and personal-care industries by producing sustainable, bio-based, environmentally friendly alternatives to petrochemical ingredients used in detergents, home care, industrial cleaning, agriculture, cosmetics and personal care. Founded as a University of Manchester spin-out, Holiferm develops biosurfactants - biodegradable, non-toxic alternatives to petrochemical-derived surfactants. Their patented gravity-separation fermentation process enables continuous, commercial-scale production.

Alongside private capital, including investment from CGIM, Innovate UK funding has supported Holiferm's growth. The ICUR programme enabled early market validation through international customer and investor engagement. A subsequent continuity grant funded a 600-litre pilot plant at Sci-Tech Daresbury, bridging the gap between lab and commercial production. Further grants through the Transforming Foundation Industries programme and Smart Grants supported process improvement, while the HiProSoph project - led by Holiferm with the University of Manchester and Star Brands Limited - validated waste-derived feedstocks for sophorolipid production, advancing the company's cost-reduction strategy.

Holiferm now operates commercial-scale 18m³ bioreactors across two sites and employs over 60 people. The company is currently raising a major investment round to fund its next growth phase, including new microbial strains and expanded product lines. Holiferm's trajectory demonstrates how sustained public funding in partnership with private capital can de-risk deep technology and accelerate the transition away from fossil-derived chemicals - unlocking further private investment and building UK industrial capacity in sustainable chemistry.

Jobs and industry, region by region

A differentiating feature of CGIM's mandate - growing the clean economy by investing in UK-based clean-tech start-ups - is the growth of jobs and industry in regions across the UK. We generate genuine place-based impact by helping innovators to commercialise their technologies, open pilot facilities, expand production and create high-quality, sustainable jobs.

Our portfolio data (Section 2) show that around one third of the jobs created so far in CGF I are in regions of relatively high deprivation, and our companies currently employ over 600 people.

1/3

of CGF I jobs are in regions of relatively high deprivation

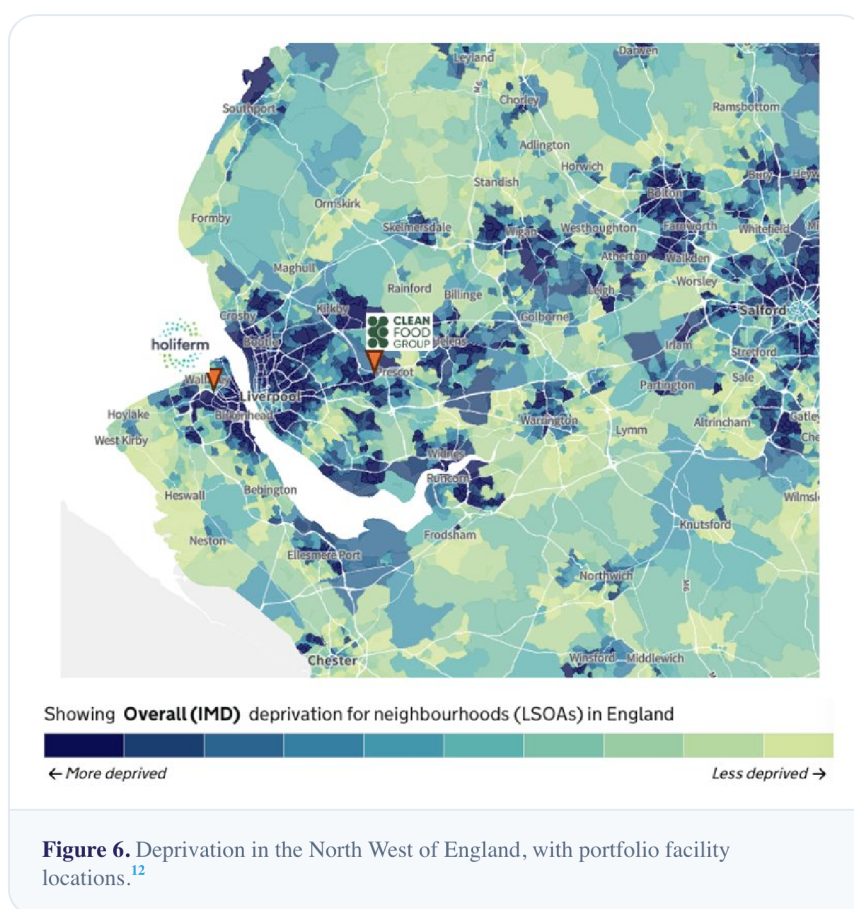
600+

people employed across the portfolio today

A clean industrial revolution in the North West

The UK Government is addressing the regional inequalities left by the long-term decline of heavy industry. Since the 1980s, significant job losses in coal, steel, shipbuilding, textiles and heavy engineering have had material socioeconomic consequences in former industrial cities, towns and communities¹¹. A key policy target is therefore to create "more jobs and better jobs" in traditional industrial heartlands of Britain which currently have low employment rates, low earnings and low productivity.

One of the areas which has suffered major industrial job losses is the North West of England, where coal, steel, motor, shipbuilding, engineering and manufacturing industries have been depleted or eradicated. This is a deprivation hotspot in England, as shown in Figure 6 - the dark-blue shading illustrates neighbourhoods at the highest level of deprivation. For example, Wallasey in the Wirral (location of the Holiferm facility) is more deprived than 97% of neighbourhoods in England. In the late 19th century, Liverpool was a rich city with a thriving economy; today it is one of the poorest in the country - but its ports, factories and strong industrial heritage give it huge potential to benefit from the next, clean, industrial revolution.



Holiferm - Wallasey

40 new jobs

Holiferm drives sustainable innovation through cutting-edge biosurfactant R&D. Their patented gravity-separation fermentation process enables continuous, commercial-scale production, significantly reducing energy use, water use and production costs. The company has progressed from concept to commercial scale, launching a dedicated 90,000 sq ft commercial facility in Wallasey (1,650 t/year capacity, scaling to 3,500 t). It is expanding its biosurfactant portfolio through industrial partnerships and preparing pilot trials ahead of full-scale rollout. Since CGF invested, Holiferm has brought 40 new jobs to this region, benefiting one of the UK's most deprived areas.

Clean Food Group - Knowsley

150 new jobs (up to)

The food and beverage industry faces significant disruption as it transitions toward net zero, with Forest, Land and Agriculture (FLAG) emissions accounting for nearly a quarter of global emissions. Palm oil sits at the heart of this challenge: prized in confectionery for its stability, versatility and cost-effectiveness, it is also a leading driver of tropical deforestation, biodiversity loss and human-rights abuses. A lack of cost-competitive, functional alternatives has left many large food companies falling behind their SBTi commitments. Clean Food Group is solving this value-chain problem by pioneering commercial-scale production of microbial oils, including a product that mirrors the fatty-acid profile of functional palm-oil blends while delivering on sustainability, cost and security of supply.

Since Clean Growth Fund's initial investment in March 2024, Clean Food Group has secured regulatory approval for cosmetics use, built partnerships with FMCGs and food manufacturers, and acquired a one-million-litre fermentation facility in Knowsley - a site that, once operational, will make it the largest global manufacturer of yeast-derived oils and fats. A follow-on round is enabling commercialisation and co-development of a cocoa-butter alternative with a major SBTi-validated food manufacturer. Originating at the University of Bath in the South West, this new production facility brings up to 150 new jobs to the North West, reinforcing the region's clean industrial revolution - an outcome that would not have materialised without nationwide VC capital backing a young company tackling a problem the world's largest food companies could not solve alone.



On site with Clean Food Group, whose scaling fermentation operations are bringing skilled new jobs to the region.

Nuada



Belfast-built carbon capture for the world's hardest-to-abate industries

Global carbon budgets depend on scaling Carbon Dioxide Removal (CDR) and Carbon Capture and Storage (CCS) - yet the gap between need and credible delivery is stark. The UK CCC's 7th Carbon Budget targets around 36 Mt from novel CDR by 2050, with a near-term goal of 5 Mt per year by 2030. On the current trajectory, we will reach just 0.7 Mt - roughly a seventh of what's required.

Nuada is closing that gap. A Queen's University Belfast spinout (originally MOF Technologies), the company has developed an ultra-low-energy carbon-capture system that makes CO₂ mitigation practical and affordable across cement, steel and other hard-to-abate sectors - the very industries without which net zero cannot be reached.

12 → **35**

people - a high-skilled deep-tech workforce built and retained in Belfast since CGF led the 2022 Series A.

CGF led Nuada's Series A in 2022, investing alongside Barclays Climate Ventures when the company employed just 12 people in Belfast. Our investment also unlocked a £0.9m grant from Innovate UK's Future Economy Investor Partnership Programme. That backing allowed Nuada to secure larger Belfast premises in 2023 to house a growing team and pilot-plant operations, and to rebrand from MOF Technologies to Nuada.



NUADA · CAPTURING CO₂ FROM CEMENT AT THE BUZZI UNICEM PILOT SITE & INSIDE THE CAPTURE UNIT

2023. Nuada won a DESNZ grant with the University of Sheffield to build a second pilot plant, grew the team to 19 - adding a CFO, CCO and other senior hires - and built its first pilot plant for cement trials at Buzzi Unicem's plant in Monselice, Italy.

2024–25. The Belfast team reached 29 in 2024 as Nuada added pilot operations and production roles. The Monselice campaign delivered excellent CO₂ purity and recovery, and Nuada built a second pilot plant for biomass incineration at the University of Sheffield's Translational Energy Research Centre (TERC) - proving performance in a second industry in 2025. Pilot Plant 1 then moved to an alternative site for further successful cement trials. Pilot Plant 2 was relocated to Enfinium's EfW plant in North Yorkshire. Nuada raised a Series A extension (CLN), with follow-on capital from CGIM, to fund operations, prepare a Series B, and begin its first-of-a-kind commercial demonstrator, Project Scala.

2026. Strong Enfinium results have extended that trial. Pilot Plant 1 has moved to MLC's Singleton Birch site for lime-industry trials, with results imminent. Nuada is now preparing for a Series B close targeted in 2027.

From a 12-person university spinout to a 35-strong team, Nuada has built and retained a high-skilled deep-tech workforce in Belfast - anchoring globally significant climate technology in Northern Ireland. Its capture system has now been proven across three heavy industries, and from a single Belfast base the company is positioned to deliver decarbonisation at genuinely global scale. Its transportable solution can be deployed to heavy industry to achieve impact locally, regionally, nationally and globally.

Climate justice is social justice

Social impact investing should not be considered as separate to environmental impact investing: the two are intrinsically linked and impossible to compartmentalise. Our investment thesis in any company is always financially motivated, based on its ability to deliver innovative carbon-abatement technology that can be commercialised and grow. But the clean economy carries multiple co-benefits that should not be underestimated or overlooked from an impact perspective.

Climate change disproportionately impacts poor and vulnerable communities across the globe, exacerbating economic inequality, food insecurity, water stress, forced migration and gender-related security risks¹³. In the UK, socially vulnerable people are more exposed to the impacts of climate change and extreme weather through factors related to health, employment, living conditions, education, disability and isolation. Poverty rates and the cost of living remain persistently high, with vulnerable and minority groups worse affected. In the UK, and globally, social justice and equality depend on our ability to avoid the worst climate outcomes and grow the clean economy.

Two related but distinct measures illustrate where need is greatest. Poverty captures the share of people living on low incomes: across England, the West Midlands currently has the highest rate at 27%, followed by the North West (25%), London (24%), and Yorkshire and the Humber (23%)¹⁴. Deprivation is a broader measure of social vulnerability, combining income with factors such as employment, health, education and living conditions - both worsened by climate change and a driver of increased exposure to climate-related impacts^{15,16}. On this UK-wide measure, Northern Ireland has the highest proportion of the most deprived areas in the UK at 25%, followed by the North East of England at 21%, and the West Midlands at 16.5%¹⁷.

Therefore, it is critical from a social impact and equality perspective that climate effects are mitigated and the worst outcomes avoided via rapid action. This will require a wide range of solutions and new technologies to transform our global economy, the way we live and how we consume. In this section we focus on two societal benefits of our investments in clean-tech companies: **quality job creation**, and the **social co-benefits of climate action**.

Good jobs are a route out of poverty

"One of the most powerful routes to help people out of poverty, start to tackle inequality, realise human rights and achieve the Sustainable Development Goals is to support good-quality job growth."¹⁸

"Paying workers a living wage directly advances several of the SDGs - in particular Goal 1 (No Poverty), Goal 5 (Gender Equality), Goal 8 (Decent Work and Economic Growth) and Goal 10 (Reduced Inequalities). It also contributes materially to the achievement of several other goals."¹⁹

- Cambridge Institute for Sustainability Leadership (CISL)

All companies in the CGF portfolios pay their workforce a Real Living Wage. The CBI has reported that one million jobs now exist in the clean economy, and that these are highly productive, good-quality jobs with wages 11% higher than the national average²⁰. As shown in Section 2, our portfolio currently employs over 600 people in high-quality clean jobs, and around one third of those jobs are located in the UK's most deprived regions.

600+

people in high-quality clean jobs

1/3

in the UK's most deprived regions

+11%

clean-economy wages vs UK average

The social co-benefits of climate action

Climate action in the UK delivers substantial social co-benefits that extend well beyond emissions reduction. Research by the Edinburgh Climate Change Institute's CO-BENS project, which models impacts across over 46,000 local areas via the UK Co-Benefits Atlas²¹, finds that measures in transport and buildings alone generate roughly £160 billion in social value²² - nearly £2,400 per person, and almost 50% greater than the UK Climate Change Committee's (CCC) estimated net cost of reaching Net Zero.

The CCC's own 2024 Progress Report²³ highlights that the clean-energy transition supports hundreds of thousands of jobs and boosts economic growth, while actions on heating, transport and nature cut fuel poverty, reduce air pollution and improve quality of life. Health gains are particularly significant: a PMC narrative review²⁴ mapping UK climate co-benefits finds that shifts to active travel and low-carbon diets reduce chronic disease, and that CCC-pathway actions could deliver over 2.5 million additional life years by 2050. Grantham Institute research at Imperial²⁵ shows that UK public priorities align closely with these co-benefits - affordable warm homes, cleaner air and reduced inequality cited as most valued - suggesting that framing climate policy around these tangible social gains can strengthen public support and accelerate action.

The companies in our portfolio are selected on the basis of their ability to abate CO₂ but can deliver multiple co-benefits as demonstrated in the following case studies: Rendesco and Sunswap.

£160bn

social value from transport & buildings measures

£2,400

per person - ~50% above the net cost of Net Zero

2.5m

additional life years by 2050 on CCC pathways

Rendesco

Ground-source heat for homes, schools & commercial buildings

Rendesco aims to deliver sustainable, low-carbon heating solutions by deploying ground-source heat pumps in residential developments, schools and commercial buildings - reducing energy costs and carbon emissions while improving comfort and resilience. Working across individual, commercial and social-housing projects, the company pairs low-carbon heat networks and storage with an end-to-end service and resident support, with the dual purpose of cutting fuel poverty and hitting climate goals.

The UK Climate Change Committee highlights that low-carbon heating solutions bring substantial societal co-benefits alongside GHG reductions. In 2025's Seventh Carbon Budget, the CCC projected that meeting its "Balanced Pathway would reduce the number of households in fuel poverty by 77% by 2050 compared to 2025, assuming real incomes remain constant". The transition to low-carbon heating further benefits society by improving health and wellbeing, bringing economic growth and jobs, enhancing energy security and improving local air quality.

Rendesco aims to contribute meaningfully to the UK's transition towards renewable heating through specialist design and installation of bespoke ground-source heat-pump systems, technical support and financial solutions that reduce upfront costs and overcome financial barriers. It also rigorously monitors and reports on energy savings and carbon reductions, giving clients transparent evidence of value to support sustainability goals and reporting obligations.

For example, Rendesco currently manages eight social/affordable housing projects across the UK, including the Southgate Street development where its affordable, low-carbon heat-pump system has given residents access to low-cost renewable heating and hot water, supporting both fuel poverty and carbon targets. This project is benefiting an area of relatively high deprivation (IMD3). Since CGF invested, Rendesco has created 50 new jobs and continues to reach and benefit communities across the UK as it grows.

50 new jobs created since CGF invested



Sunswap

Zero-emission transport refrigeration - an environmental-justice case

Air pollution falls hardest on those least able to avoid it. Research from Friends of the Earth shows it disproportionately harms lower-income and more deprived areas, and particularly neighbourhoods with higher ethnic-minority populations. Scientific modelling finds that meeting England's PM2.5 target would deliver "substantially greater health benefits for the more deprived members of society." Cutting diesel emissions is therefore not only a climate measure but a question of environmental justice.

Transport refrigeration units (TRUs) - the diesel-powered cooling systems on refrigerated lorries and trailers - are one of the most overlooked sources of this harm. Unlike truck engines, they escape tightening emissions standards, run older, dirtier powertrains, and operate continuously at loading bays, distribution centres, supermarket car parks and urban delivery points. They emit NOx and PM2.5 directly where people live and work - and run hardest in exactly the high-density locations where exposure is greatest and where cleaner air delivers the most public-health value.

The climate toll compounds the problem. Cenex found a single diesel TRU emits 8.5 tCO₂e per year on a medium duty cycle, exceeding 24 tCO₂e under intensive use. Across the UK's approximately 30,000 TRUs, that is an estimated 250,000–720,000 tCO₂e annually, and over 5 million tonnes globally - with refrigerant leakage from older, high-GWP units adding further harm.

8.5 t

CO₂e a single diesel TRU emits per year (24t+ intensive)

30,000

UK TRUs - 250,000–720,000 tCO₂e a year

5m t

CO₂e from TRUs globally each year

Sunswap's solar- and battery-powered TRU replaces the diesel engine entirely, producing zero emissions at the point of use - no NOx, no particulates, no CO₂ - paired with software giving fleet operators real-time visibility of performance, temperature compliance and energy status. Founded in 2020 by transport-refrigeration engineers, Sunswap entered a market long dominated by diesel-only lines from Carrier Transicold and Thermo King, offering logistics firms their first credible route to decarbonise this part of the fleet.



Sunswap's solar- and battery-powered refrigerated trailers in service with Tesco - delivering chilled goods with zero emissions at the point of use.

CGF co-led Sunswap's Seed round in March 2022, timed to the removal of red-diesel tax relief that month - a shift that immediately strengthened the economic case for switching. Sunswap has since progressed to Series B.

-93%

emissions vs diesel

Zero emissions at the point of use, with **20-50% total cost savings** versus diesel - decarbonising the cold chain while cleaning the air where logistics networks operate.

The systemic opportunity is large. At meaningful market penetration, Sunswap and technologies like it could materially cut cold-chain pollution - not only as a climate contribution, but as a direct, daily improvement in the air quality of the communities that logistics networks serve, including those carrying the heaviest burden today.

Giving back to the community

Beyond the portfolio, the CGIM team volunteers together through the year - giving time to local community and charitable causes.





14 of 17 goals

SECTION 04

Portfolio SDG Alignment

How the portfolio maps to the UN Sustainable Development Goals



Contributing to 14 of the 17 SDGs

The UN Sustainable Development Goals offer a globally recognised method for assessing whether investments contribute to sustainable development - there are 17 SDGs with a total of 169 targets and 234 unique indicators. Given the early-stage nature of our investments, many of our companies are pre-revenue, so we have mapped our portfolio companies to the relevant targets and indicators based on their business cases, our theory of change and their potential to contribute to these goals. Our assessment demonstrates that by investing in CGF I, our Limited Partners contribute - through the fund's underlying portfolio - to **14 of the UN SDGs**.

Company	SDG 2 Zero Hunger	SDG 3 Good Health & Well- being	SDG 5 Gender Equality	SDG 6 Clean Water & Sanitation	SDG 7 Affordabl e & Clean Energy	SDG 8 Decent Work & Growth	SDG 9 Industry & Innovatio n	SDG 10 Reduced Inequaliti es	SDG 11 Sustainabl e Cities	SDG 12 Responsib le Consump tion	SDG 13 Climate Action	SDG 14 Life Below Water	SDG 15 Life on Land	SDG 17 Partnershi ps
Above					●	●	●	●			●			
Arda Biomaterials				●		●	●	●		●	●		●	
Clean Food Group	●			●		●	●	●		●	●		●	
FA Bio	●	●	●			●	●	●		●	●		●	
Futraheat			●		●	●	●	●			●			
Gigaton			●		●	●	●	●		●	●			
Holiform			●	●		●	●	●		●	●		●	
HutanBio			●		●	●	●	●			●	●	●	
HydRegen		●	●			●	●	●		●	●			
Indra					●	●	●	●	●	●	●			
Kamma			●		●	●	●	●	●		●			●
Measurable Energy					●	●	●	●	●		●			
Nuada						●	●	●		●	●			
Oriole Networks					●	●	●	●			●			
Piclo			●		●	●	●	●		●	●			
Rendesco					●	●	●	●	●		●			
Sunswap					●	●	●	●	●	●	●			
Tepeo		●			●	●	●	●	●		●			
Vector Photonics					●	●	●	●			●			

Figure 7. Portfolio alignment with the UN Sustainable Development Goals, by company. A coloured mark indicates the company contributes to at least one target under that goal. The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States

OUR PORTFOLIO

The companies we back

Climate-specific, sector-agnostic - across power, industry, buildings, transport, agrifood and the circular economy.



Power from data.

POWER

Above

Asset-management tools for solar plant operators - fault identification and maximising green generation across PV portfolios.



TRANSPORT

AmpliSi

FUND II

Porous-silicon materials for next-generation battery anodes - higher energy density and improved performance.



CIRCULAR ECONOMY

Arda

Brewery-waste grain transformed into an animal- and plastic-free leather alternative for fashion, homeware and upholstery.



AGRIFOOD

Clean Food Group

Sustainable oils and fats for food and cosmetics - scalable, healthier ingredients with positive environmental impact.



AGRIFOOD

FA Bio

Microbial bioproducts that replace chemical inputs, improve soil health and reduce greenhouse-gas emissions.



INDUSTRY

Futraheat

High-temperature heat pumps for 100–200°C industrial process heating - a hard-to-decarbonise range.



INDUSTRY

Gigaton

Formerly Carbon Re. Deep reinforcement learning optimising foundation-industry processes - radically cutting carbon and cost.



INDUSTRY

Holiform

Natural, low-cost biosurfactants by fermentation - replacing petrochemical surfactants in personal and home care.



TRANSPORT

HutanBio

Scaling the HBx platform to produce low-carbon biofuels for marine and heavy transport.



INDUSTRY

HydRegen

Bio-based catalysts replacing toxic metal catalysts in pharma and chemicals - major CO₂ and cost savings.

OUR PORTFOLIO - CONTINUED



TRANSPORT

Indra

The smartest EV charger on the market - bi-directional V2G charging that discharges power back to the grid.

KAMMA

BUILDINGS

Kamma

Geospatial data powering climate solutions - from ESG risk and reporting to retrofit optimisation.

measurable-energy

BUILDINGS

measurable.energy

Smart ML-enabled power sockets cutting commercial building energy 20%+ by eliminating small-power waste.



INDUSTRY

Nuada

Next-generation point-source carbon capture for heavy industry - energy-efficient CO₂ filtration.



INDUSTRY

Oriole Networks

Revolutionising AI system performance and data-centre speed - dramatically reducing energy consumption.



POWER

Piclo

Online marketplace for trading energy flexibility - reducing grid congestion and enabling renewables.



BUILDINGS

Rendesco

EXITED

The UK's leading independent clean-heat developer - ground-source heat for homes and buildings.



TRANSPORT

Sunswap

Zero-emission transport refrigeration combining solar, battery storage and low-impact refrigerants.



BUILDINGS

Tepeo

EXITED

Zero-Emission Boiler (ZEB) technology for affordable decarbonisation of residential heating.



INDUSTRY

Vector Photonics

Glasgow-based laser developer commercialising PCSELs - high-power, low-cost lasers for data-centre networks.

Sources & references

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**A return on capital,
and a return on carbon.**



Clean Growth Investment Management LLP
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