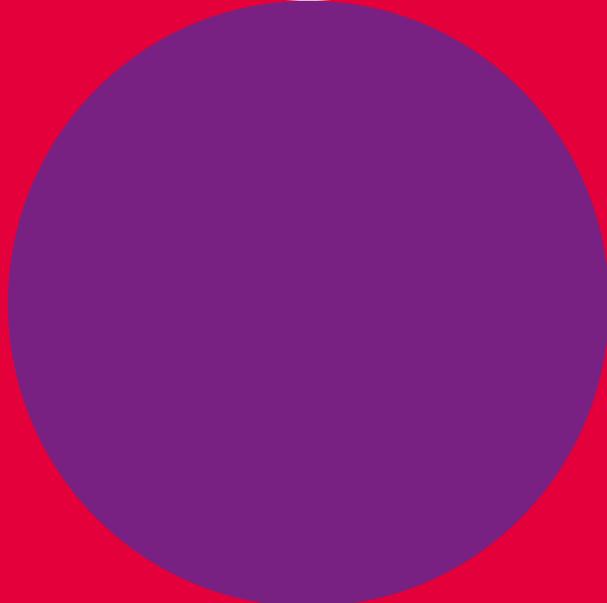
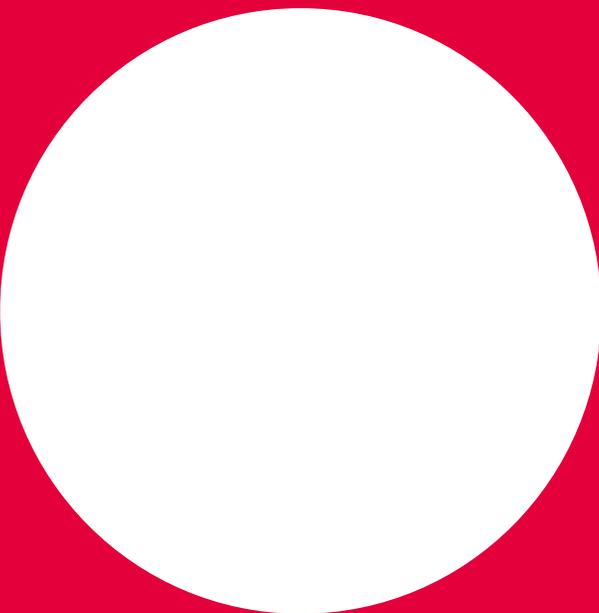
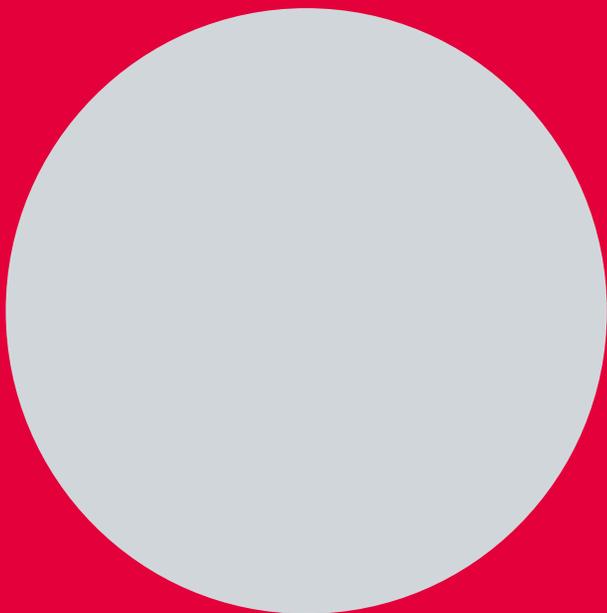
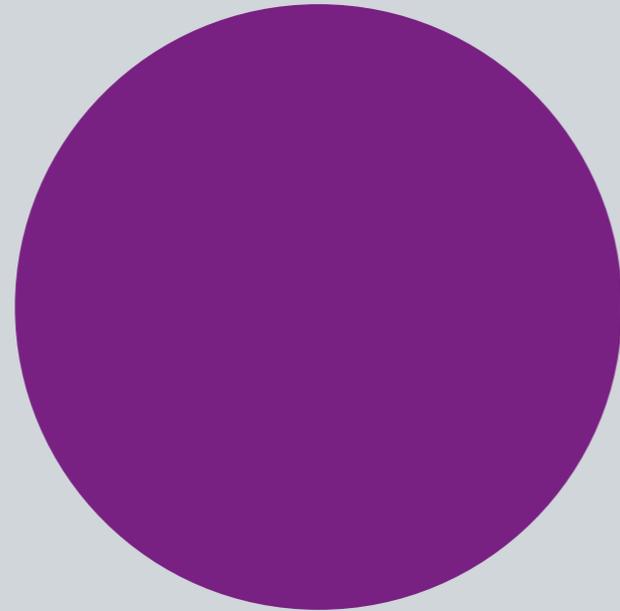
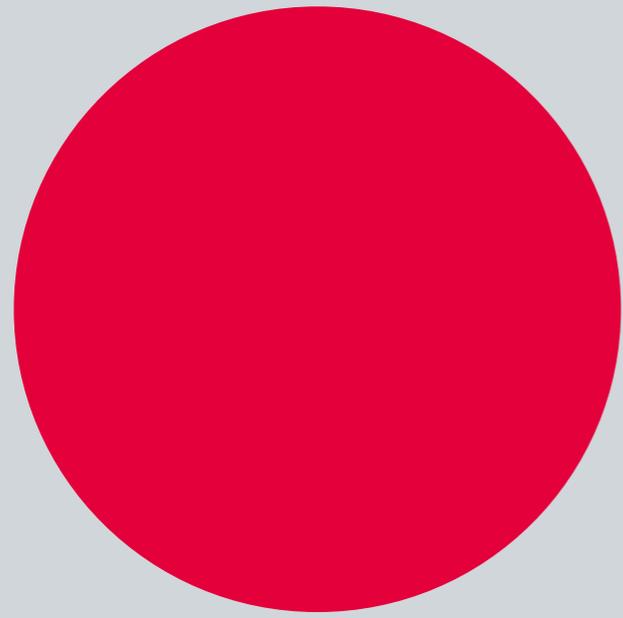


Initial Impact Report



**Brightlands
Venture
Partners**



Initial Impact Report

1. Meaningful impact

We need a transition to a more sustainable and healthier world, which is a challenge that represents a massive opportunity. The mission of Brightlands Venture Partners is to finance, support and accelerate the growing number of companies that will help meet the challenges of such transition. We invest in three key areas: renewable chemistry, agrifood and regenerative medicine & biomedical materials.

Although impact investing has been in our DNA since we started back in 2004, we did not systematically measure and report on impact until now. The objective of this first impact report is to determine our current position with regards to impact reporting and, more importantly, to understand and convey the journey that lies ahead.

The aim is to provide a snapshot of what has been achieved in BVP's first three funds and to provide a starting point towards more formal impact reporting going forward.

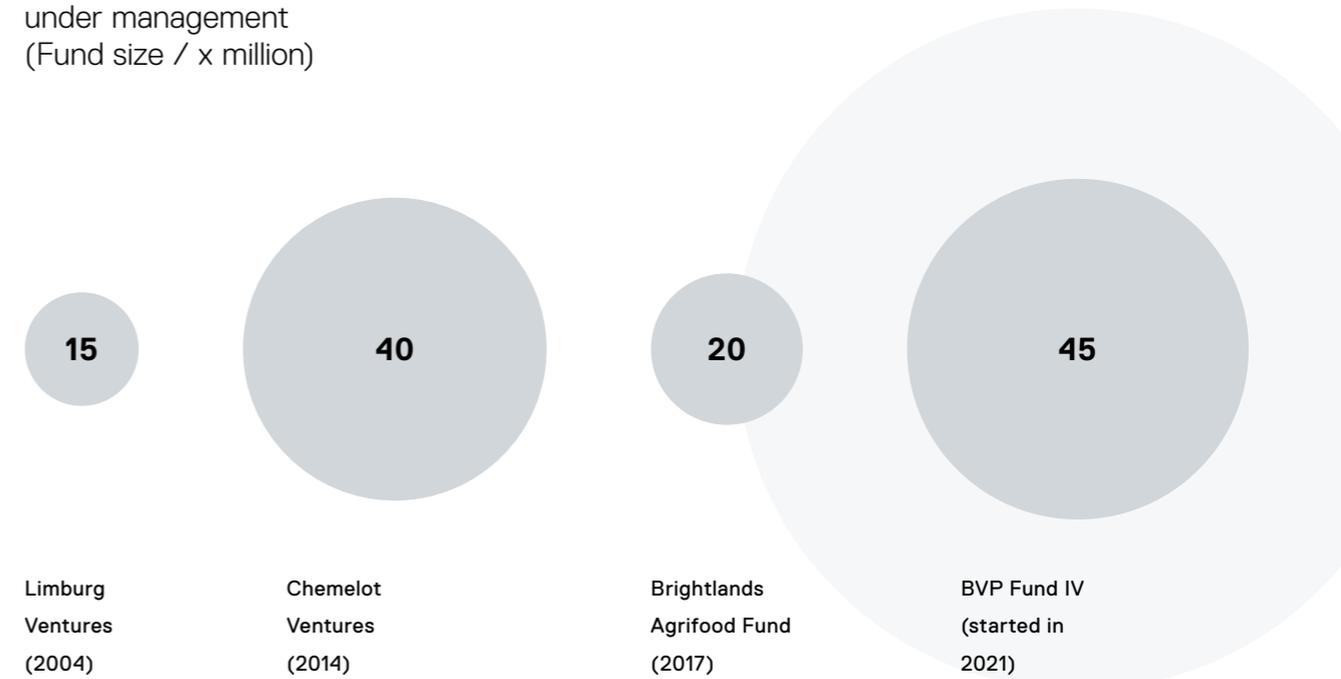
In this report we will first introduce BVP and the concept of being an ecosystem investor. Then, we will discuss our motivation and our approach to impact reporting. Further on, we will describe the expected impact per key area and each sector is followed by a case study. We'll also look at the impact of the Brightlands ecosystem and turn to ESG. Lastly, we share what we have learned and our next steps.

2. Track record and history

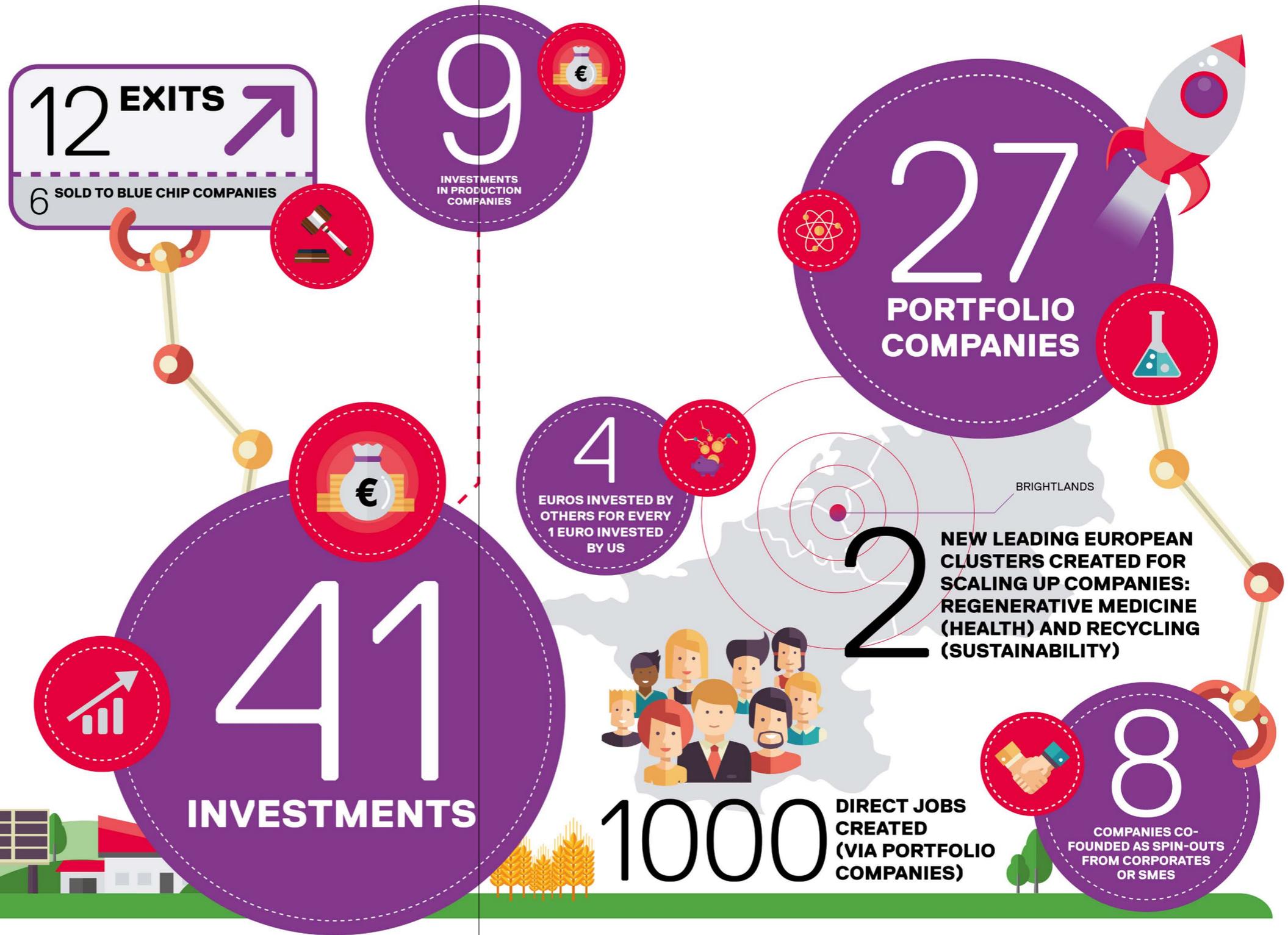
Brightlands Venture Partners (BVP) is an independent venture capital fund manager rooted in the Brightlands ecosystem in the Netherlands. We invest in startups and scaleups with breakthrough technology and global potential. We may invest as early as seed stage, but always with the intent to support the company until exit.

BVP has been active since 2004 and was originally founded to finance startups within the Brightlands ecosystem, which at the time consisted of the Chemelot Campus and Maastricht Health Campus. Our first investors were DSM and LIOF, who were joined later on by the Province of Limburg and Rabobank, all of them still limited partners in the most recent Fund IV.

The four funds under management (Fund size / x million)



Solid returns and measurable impact



3. Ecosystem investor, a rare breed

Ecosystem

BVP's investment strategy is focused on creating a more sustainable and healthier world from which society stands to benefit and wherein opportunities for future generations are created. To achieve this goal, we invest in innovative companies active within the sustainability and health themes. Sustainability and health are also key themes of the Brightlands ecosystem. Our investment strategy is therefore to a great extent interwoven and aligned with the key themes of the Brightlands ecosystem.

We have seen that our portfolio companies have benefited a lot from the support given by the Brightlands ecosystem, which has accelerated their technical and commercial development. Inversely, the Brightlands ecosystem benefits from the presence of BVP's portfolio companies ; this has proven to be a highly synergistic situation. Our portfolio companies are typically located in the Netherlands, Belgium and North Rhine-Westphalia (Germany), our geographic focus area. We are hands-on, supportive investors and we believe proximity matters.

Four innovation campuses in the south of the Netherlands are the backbone of the Brightlands ecosystem and form the basis for a cooperative network of people and businesses that stimulates and integrates business, innovation, research and education in sectors that generate value for society. The prerequisites for this value creation are facilitated by state-of-the-art R&D, pilot- and demoplant infrastructure, meeting places, workspaces and a vast and strong network of experts.

Clusters

BVP's strategy and investments have contributed to the current strength of the Brightlands ecosystem, and more specifically in **Renewable Chemistry, Regenerative Medicine & Biomedical Materials** and **Agrifood**. These segments have become strong clusters in which the interaction of companies, education institutes, knowledge institutes and service providers have created critical mass, opportunities for interaction and an important talent pool. These sector-specific epicenters have become a magnet to attract scientists, entrepreneurs and companies, resulting in a knowledge-rich environment where information is easily shared, and innovation is accelerated.

In addition, BVP contributes to the Brightlands ecosystem by creating employment opportunities and by attracting young professionals and knowledge. The following statistics exemplify BVP's contribution:

Employment

Our investments, including current and exited portfolio companies, have led to more than 1.000 jobs.

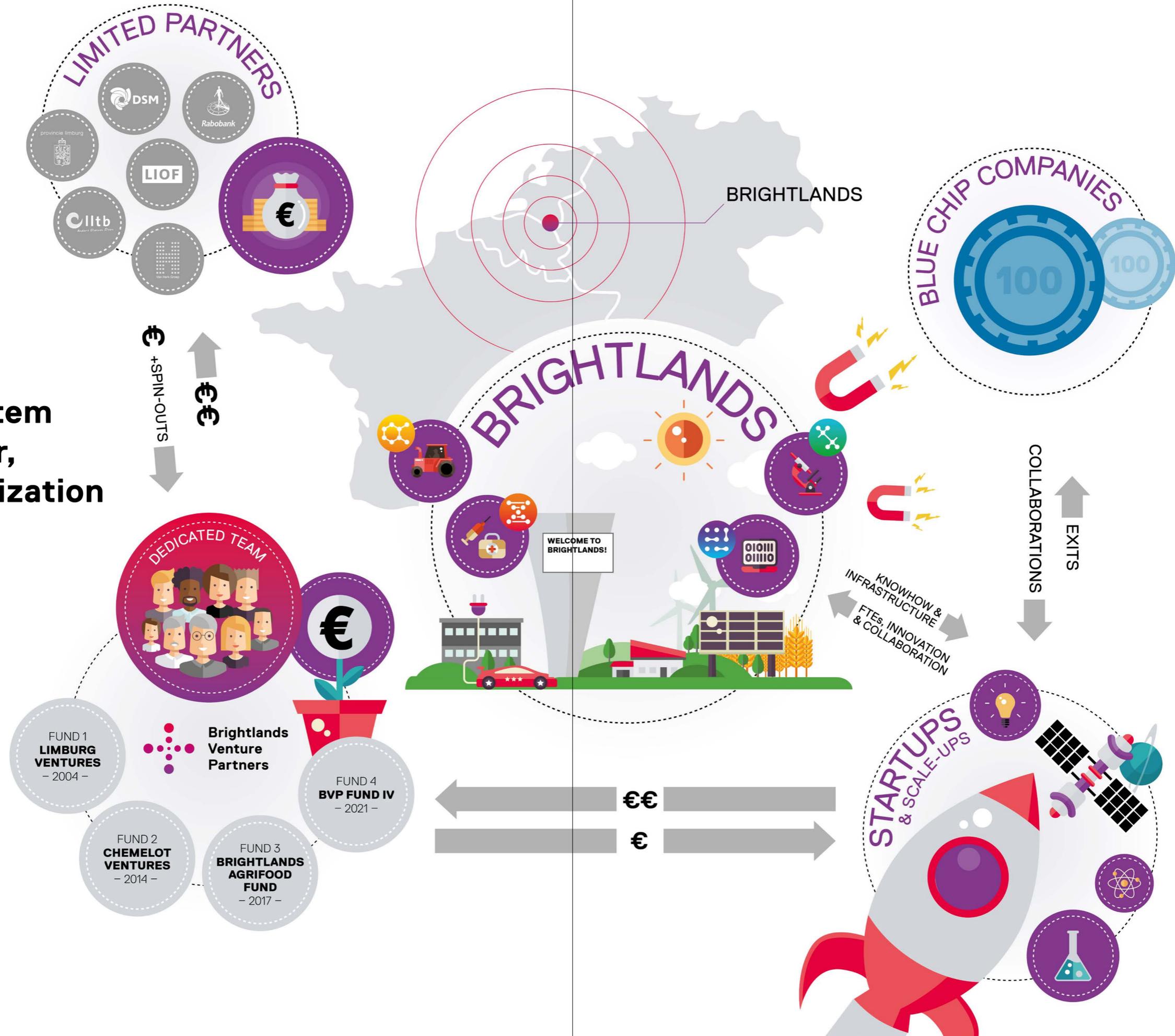
Youth employment

Roughly 17% of all employed FTE's have less than 3 years working experience, 55% is under 35 years old.

Knowledge creation

On average, > 3 patents are granted per portfolio company each 5 years

Ecosystem investor, a visualization



€ + SPIN-OUTS
€€

← €€ →
← € →

KNOWHOW & INFRASTRUCTURE
FTEs, INNOVATION & COLLABORATION

COLLABORATIONS
EXITS

LIMITED PARTNERS

BLUE CHIP COMPANIES

BRIGHTLANDS

STARTUPS & SCALE-UPS

DEDICATED TEAM

WELCOME TO BRIGHTLANDS!

Brightlands
Venture
Partners

4. Impact reporting

Why?

Since 2004, BVP has been investing in companies to address pressing global challenges in sectors such as renewable chemistry, regenerative medicine and sustainable agriculture. Since impact investing is woven into our DNA, we have decided to take the next step and report impact on a systematic basis. To establish a foundation, we would like to share where we are now and where we want to go.

For BVP, there are several motivations to engage in impact reporting.

- **The story:** Collecting, analyzing and reporting impact information to internal and external stakeholders will help in conveying our impact story; how we as BVP and our investment portfolio contribute to addressing global societal and environmental challenges.
- **Accountability:** As we see impact as an integral part of the return on investment, we want to hold ourselves and portfolio companies accountable. By reviewing and measuring ourselves against the data on a regular basis, BVP and its portfolio companies will learn and further improve where needed.
- **Essential for growth:** We observe that monitoring and discussing the potential impact of a company with its founders/management can help make better decisions to steer the growth of the company in a sustainable manner.
- **Regulators recognize the value of sustainable finance** and want to stimulate allocations to such initiatives; this requires clarity and transparency.

How?

Quantifying and reporting impact is not easy. We feel the need to make it tangible, which is a challenge for early-stage companies that are often pre-revenue. For this first report BVP has teamed up with impact advisory specialist Sinzer-Grant Thornton to provide a snapshot of the impact generated by our portfolio companies.

ESG vs Impact

When speaking of impact reporting, we distinguish two important definitions: Environmental, Social and Governance (ESG), and impact. ESG focuses on the company's operations' 'hygiene', while impact describes the effect a product or service has on people and planet. In this report, we separate ESG from impact results.

Theory of Change

As a tool to describe impact we use the Theory of Change (ToC). This theory assesses the potential impact of a product by reviewing the inputs used to develop the product, the manufacturing process and the output (final product). Furthermore, the outcome of the application of a product short-term, as well as the long-term impact on a large scale is taken into account. We have decided to focus on these short- and long-term outcomes.

SDGs

The UN Sustainable Development Goals (SDGs) were designed with the goal of tackling the most prominent global challenges and creating a sustainable future. In addition, they provide a useful mental framework for future investments. BVP strives for alignment with the SDGs, and the specific SDGs that are addressed will be mentioned throughout this report.

5. Fields of Impact

As the world population is growing, so is the need for nutritious food, for effective healthcare and for sustainable materials. This requires innovations in the three key investment areas of BVP: Renewable Chemistry, Agrifood and Health.

IMPACT 1: RENEWABLE CHEMISTRY

The European Union has made a political and legal commitment that, by 2050, the whole EU should be climate neutral. Sustainable solutions should enable the reduction of emissions, energy consumption and facilitate the transition from a linear towards a circular economy.

Investment focus areas:

- Circular materials and bio-based chemicals
- Feedstock & energy efficiency
- Smart materials

Impact indicators:

- Greenhouse gas emissions (GHG)
- Long-term effect on climate

IMPACT 2: AGRIFOOD

Agrifood is at the cross-over of sustainability and health. The growing demand for food and agricultural land calls for innovations in agrifood that focus on creating nutritious and sustainably produced food, with the intention of combatting deficiencies and inefficiencies in global food systems.

Investment focus areas:

- Healthy (personalized) nutrition
- Smart farming
- Alternative / circular proteins
- Regenerative agriculture

Impact indicators:

- Harmful substance reduction
- Land use efficiency
- Labor shortage reduction

IMPACT 3: HEALTH

The growing and aging world population is becoming increasingly challenging for healthcare systems. To tackle this challenge, innovations in the healthcare systems are needed that allow for more effective healthcare, cost control and new methods and techniques, from cure & care to prevention.

Investment focus areas:

- Biomedical materials
- Regenerative medicine
- Personalized medicine & MedTech

Impact indicators:

- Intermediate effect on health
- Long-term effect on health
- Health Economic Benefits (HEBs)

Impact 1: Renewable Chemistry

The following data describe the estimated impact our renewable chemistry portfolio companies. This is done quantitatively by potential GHG reduction and qualitatively by the long-term effects of their product or methodology. It should be noted that the metrics used below were chosen because of their perceived relevance and do not represent the portfolio companies' total impact.

COMPANY	ACTIVITY	GHG REDUCTION	LONG-TERM EFFECTS
 ioniqa	Recycle (colored) PET by depolymerization to enable production of virgin quality PET	75% lower CO ₂ emission compared to oil-based PET resin production	Create a circular system, reduce plastics sent to landfill, incinerators and nature
 Black Bear CARBON BLACK	Recycle end-of-life-tires into high quality, safe, and sustainable Carbon Blacks	86% lower CO ₂ emissions compared to furnace carbon black production	Create a continuous cycle of Carbon Black re-use in tires, reduce the amount of solid tire waste
 fuenix Let no plastic go to waste	Recycle plastic waste into raw materials that can be used to create brand new plastic	Reducing CO ₂ emissions by 65% compared to traditional plastic manufacturing using non-circular feedstock	Create a circular system, reduce plastics sent to landfill, incinerators and nature
 ertoro	Replacement for fossil crude oil as a platform product for materials, chemicals and fuels	The Goldilocks® technology has a potential to save more than 65 and up to 95% of GHG compared to fossil fuels	Replace fossil fuels, improve carbon efficiency and contribute to circular solutions by using waste streams
 KRIYA MATERIALS	Performance enhancing coatings for solar panels, solar heat blocking systems and display materials	Reducing the equivalent of ±8000 kg of CO ₂ per applied kg of coating per year	Higher output of clean energy; conserve energy by heat blocking in buildings or (electric) cars

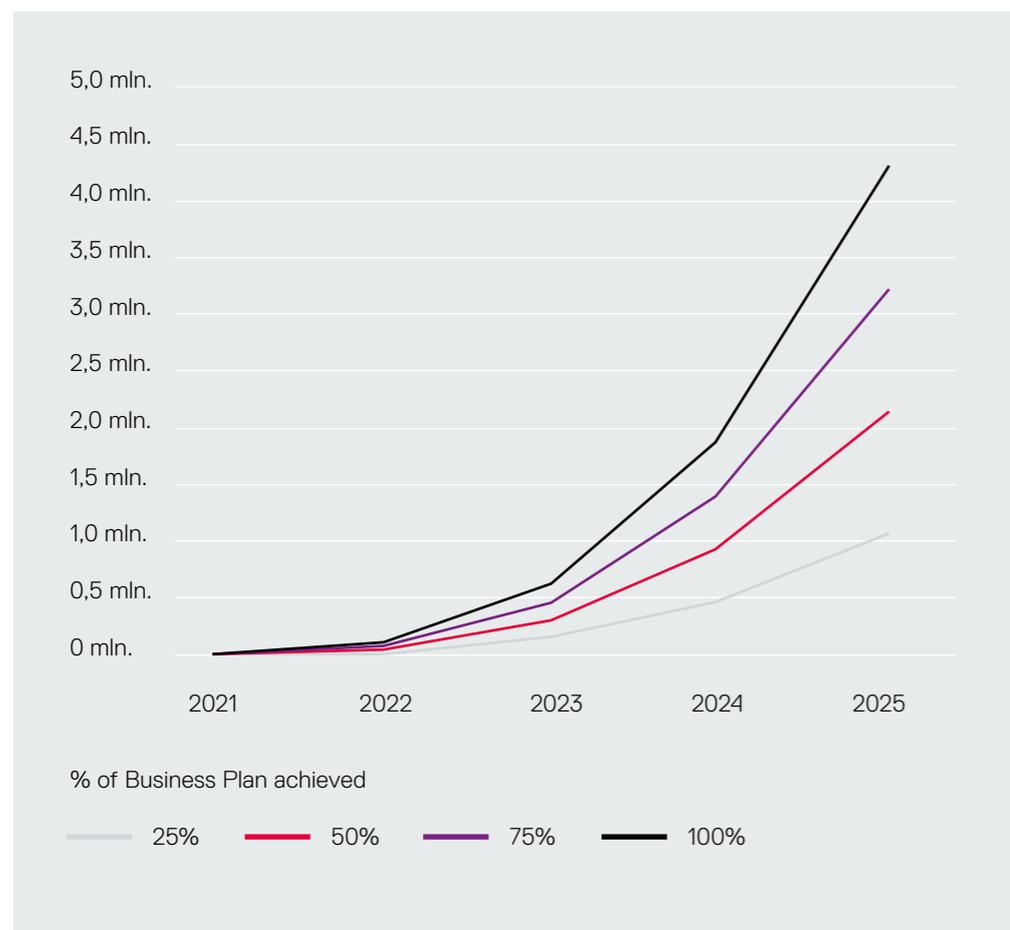
Expected ton/CO₂ saving per year across current sustainability portfolio

Figure 1 depicts the expected cumulative savings per year in tons of CO₂ equivalent (CO₂-eq) per level of business plan achievement for the whole renewable chemistry portfolio.

We need a transition to a more sustainable and healthier world, which is a challenge that represents a massive opportunity.

Case study: Ioniqa Technologies

A game changer



Concept

With Ioniqa's technology, PET waste can be recycled endlessly, giving the market a high-quality alternative to virgin products. This does not only allow for a better cost base but also addresses the scarcity of recycled PET. Today, annual PET polyester production amounts to 90 million tons and only 10% is currently recycled. By using magnetic particles and a unique separation process, Ioniqa Technologies has succeeded in breaking down PET polyester into a colorless, virgin raw material at a competitive price; a price that is only to a limited extent depending on oil prices.

Impact

CO₂ reduction

Ioniqa Technologies has a 75% lower CO₂ footprint compared to oil-based PET production. Research by CE Delft showed a result of -1.5 ton CO₂ eq./ton. This is a negative value since it prevents the production of virgin PET.

Prevent incineration and landfilling

Only 10% of the 90 million tons of yearly produced PET Polyester is currently recycled. Ioniqa Technologies offers an economically viable and technologically adequate solution to this problem, thereby increasing the amount of PET recycled and preventing incineration and landfilling.

SDG Alignment



Case study: Black Bear Carbon

Solving the tire waste problem



Concept

Using a proprietary pyrolysis process, Black Bear isolates carbon black from used car tires. Carbon black is an additive in rubber, plastics, inks and paints and is used to modify their properties into usable products. Almost everything that you see around you that is black in color has carbon black in it. Current manufacturers make carbon black by burning oil (the “furnace process”), thereby emitting CO₂ and polluting the environment. By recycling tires, Black Bear Carbon’s process differs from furnace-based manufacturing and creates a circular system that is more sustainable and reduces waste.

Impact

CO₂ reduction.

Black Bear uses end-of-life tires as feedstock and their recycling process produces energy in the form of oil and gas, which otherwise would have to be produced using fossil fuels. These factors result in an 86% lower CO₂ output when compared to furnace carbon black manufacturing.

Solid waste reduction.

Every year more than 1.5 billion tires are removed from vehicles, resulting in 13.5 million tons of solid waste. Most of these tires are dumped, landfilled or burned, thereby polluting the environment and wasting the carbon black stored inside. Black Bear’s process uses end-of-life tires as feedstock, solving the tire waste problem.

SDG Alignment



Impact 2: Agrifood

The estimated impact of portfolio companies in the agrifood sector is described by three factors; efficiency increase (describes how the product or technology increases crop yield or facilitates efficient land use), harmful substance reduction (delineates how the product or technology reduces the emission of harmful substances such as CO₂ or methane), and labor shortage reduction (describes how the product or technology reduces the need for labor and thereby solves shortages in laborers). While efficiency increase is applicable to all portfolio companies, harmful substance reduction is only applicable to Grassa and Thatchtec, and labor shortage reduction is only applicable to AVL Motion. It should be noted that the metrics used below were chosen because of their perceived relevance and do not represent the portfolio companies' total impact.

COMPANY	ACTIVITY	EFFICIENCY INCREASE	REDUCTION OF HARMFUL SUBSTANCES AND LABOR SHORTAGE
 Grassa GREEN REFINED SOLUTIONS	Biorefinery technology to extract surplus nutrients (i.a., protein) from grass	Efficient land use: same amount of grass delivers up to 50% higher (animal) protein food production per hectare	15- to 30% reduction in ammonia emission. 15% reduction in methane emission
 thatchtec DUURZAME REINIGINGSMIDDELEN EN -METHODEN	Bio-based solutions for restoring and strengthening soils	5% - 15% increase in crop yield compared to other methods and no use of chemicals or energy intensive steam	100% reduction in use of chemicals for soil disinfection. 84% reduction in CO ₂ emission when compared with steaming method
 AVL Motion	Development of autonomous, selective harvesting machines	> 5% increase in asparagus yield because of minimal plant damage	1 AVL harvesting machine can replace 18 fte, thereby overcoming labor shortages

Case study: Grassa

Unlocking the full potential of grass.



Concept

We need radical change and innovative solutions to meet the growing food demand in a more sustainable way. Refining crops is one of the solutions as it will allow for more animals to be fed by the same plot of local land, while reducing the impact on environment. Grassa developed a biorefinery process for grass residues that is able to extract protein from these residues, resulting in more nutritional value for the same amount of grass. In addition, the refining process allows for the extraction of only easy-to-process proteins for cow feed, reducing their emission of greenhouse gasses.

Grassa's biorefinery process produces four different products that are from a local source, natural and cost competitive: two protein-rich products suitable for cows and chicken, a probiotic feed additive that has gastrointestinal benefits for livestock, and a mineral concentrate that can be used as a plant-based fertilizer.

Impact

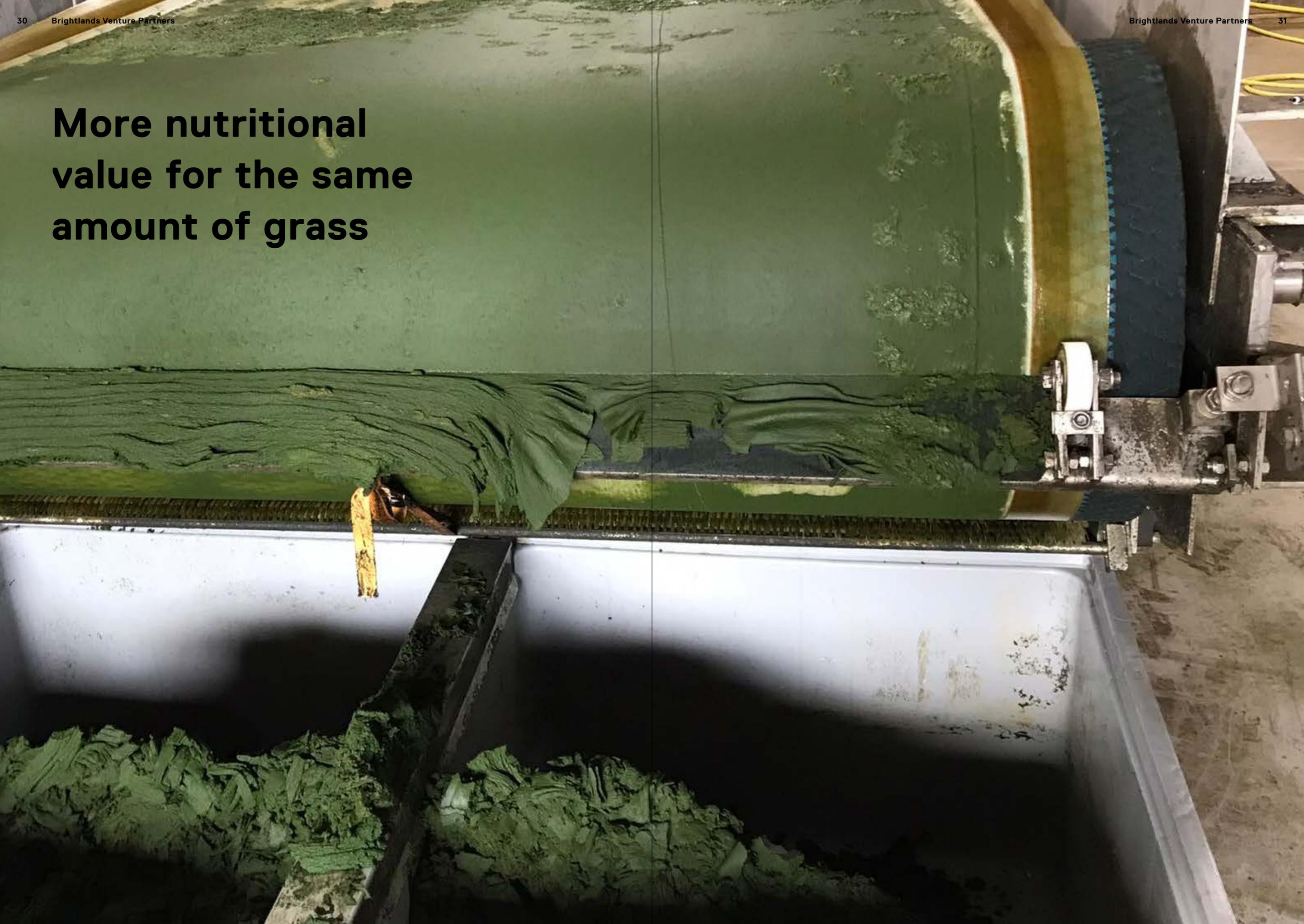
Unlocking the full potential of grass.
Feed the same amount of grass to more animals (short term), up to 50% higher animal protein production/ha. Grassa intends to make their products suitable for human consumption (long term). This direct human consumption will even further increase the amount of protein that can be utilized from grass to 300%, because of the elimination of animal-derived protein as intermediary. By upgrading grass, Grassa's output products can replace soy and thus reduce environmentally harmful imports of soy and other animal feed.

Reduces greenhouse gasses and provides a solution for the manure surplus.
When fed on Grassa product, cows receive only exactly enough useful proteins, resulting in less nitrogen content in the manure and less harmful greenhouse gasses in the air, i.e., 15%-30% ammonia reduction and 15% methane reduction.

SDG Alignment



More nutritional value for the same amount of grass





Impact 3: Health

As most of the products and therapies of our health portfolio are still in development or undergoing clinical trials, the following data are estimates of future impact and should therefore be interpreted with caution. Quality-Adjusted Life Years (QALYs) and Health Economic Benefits (HEBs) for the healthcare system are the most ideal indicators for expected impact. However, in early clinical phases evidence is scarce and QALYs or HEBs are hard or even impossible to determine. For this reason, we have chosen intermediate and long-term effects as a more qualitative substitute for QALYs and decided that the HEBs will be based on future estimates. It should be noted that the metrics used below were chosen because of their perceived relevance and do not represent the portfolio companies' total impact.

COMPANY	CORE PRODUCT	INTERMEDIATE EFFECT	LONG-TERM EFFECT	HEALTH ECONOMIC BENEFITS (HEBS) (PER PATIENT)
 neuroplast STEM CELL TECHNOLOGY	Stem-cell therapy (Neuro-Cells) to treat Traumatic Spinal Cord Injury	Regain control of muscles, improve perception of life control and increase in amount of daily activities	More control over body and less infections of urinary track	Direct lifetime savings for the health system ranging from \$200k to \$1.5mln. Indirect lifetime savings due to more independence ranging from \$100k to \$500k
 Corporis Medical	Disposable medical devices for minimally invasive surgery (Mediclose, Laprixa)	Safer laparoscopic procedure, more cost efficient in time and better procedure outcome	Less post operative complications, less herniating of trocar wounds (Mediclose) and less bowel leakages (Laprixa)	Laprixa is estimated to reduce the occurrence and the average costs of bowel leakages by 89%. Mediclose is estimated to reduce occurrence of trocar wound herniation by 2-6%.
 Hy2Care	Injectable Hydrogel and injection device for cartilage repair	Pain relief and return of mobility for patients	Better cartilage repair in comparison to micro-fracturing (market standard). Postponing revision surgeries and potentially prevent future surgical procedure needs	Cartilage repair may prevent future surgical procedures, thus reducing costs. Compared to microfracture, less recovery time and physiotherapy needed and smaller chance of secondary infections (costs are comparable).
 TRIPLEMED® Aortic Aneurysm Solutions	Disposable medical devices (Aneufix, Aneufill, Embofix) for the treatment of aortic aneurysms (Endoleaks type II)	Reduce chances of vessel rupture	Reduce rate of reinterventions to treat leaks and number of control CT scans	Aneufix: cost reduction of 33-66% per treatment and more successful in closing leak in single treatment when compared to market standard. Aneufill: prevents occurrence and associated costs of endoleaks, endograft migration, and endograft occlusion,
 MATISSE PHARMACEUTICALS	Heparin technology (M6229) that neutralizes the harmful effect of histones in case of sepsis	Ability to treat patients suffering from severe sepsis or septic shock. Prolongation of timeframe during which other medication can be given	Reduce long-term treatments and readmissions to hospital. Reduce chances of mortality and reduce long-term morbidity	Currently no similar treatment in market. Costs of treatment are estimated to be similar to withdrawn competitor Xigris. Technology can reduce long-term morbidity and increase chance of survival
 fortimedix SURGICAL	Endoluminal surgery enabling articulating instrument technology	Facilitate endoscopic therapeutic management of conditions inside challenging anatomy in a minimally invasive way (e.g., gastrointestinal tumors)	Organ sparing and function preserving surgical endoscopy that provides the potential for improved health outcomes and reduced risk of mortality	Less invasive & earlier intervention, fewer complications, and faster recovery leading to improved patient satisfaction and net cost savings to the healthcare system
 EnzyTag Traceless Ligation	Enzymatic synthesis of peptide and protein pharmaceuticals for treatment of chronic diseases (e.g., cancer, diabetes)	Higher yields than industry standard (>2x), can reduce peptide synthesis costs by 50%. Ability to produce a variety of products with unique features (e.g., improved stability, solubility, ..)	Reduced ecological footprint through less organic solvent consumption and less energy consumption leading to more affordable drugs	EnzyTag enables cost reduction of 50% on active ingredient levels and faster development and production of more complex products at higher purity in comparison to most pharmaceutical peptide and protein producers

Case study: Neuroplast

Stem cell treatment



Concept

Neuroplast's main product Neuro-Cells is a fresh autologous stem cell preparation derived from bone marrow, classified as an Advanced Therapy Medicinal Product. It is to be used for several indications, however, traumatic Spinal Cord Injury (SCI) and Amyotrophic Lateral Sclerosis (ALS) are currently prioritized. Stem cells are obtained from bone marrow located in the iliac crest of SCI or ALS patients and is subsequently purified and concentrated in three proprietary steps and administered intrathecally into the patient within 48 hours.

Impact

Improve quality of patient's life.

The concept of Neuroplast is based on minimizing the secondary damage that is caused by central nervous system related diseases with the use of patients' own cells in the form of Neuro-Cells (almost 80% of central nervous disease related damage is caused by secondary factors). Neuroplast's treatment focuses on slowing down the inflammatory response and creating a better environment for recovery. If successful, patients will lose less control of their muscles and with that, gain more autonomy and less reliance on others in performing daily activities. This increased control would significantly improve their quality of life, while the burden for caregivers would reduce.

Reduction health system costs.

Yearly, 24,500 people (EU/USA) are diagnosed with SCI, usually caused by an accident. The associated financial burden is substantial. In the first year, a SCI roughly costs the patient € 250.000 and for each following year € 20,000 (the life expectancy of a SCI patient is about 30 years leading to illness-related costs of € 850k). For Europe and USA, the yearly medical cost associated with SCI is over € 13 bn. Neuroplast's technology has the potential to reduce these costs by more than 90%.

SDG Alignment



Neuroplast aims to give back perspective to people who suffer from primarily inflammation driven neurological disorders



6. ESG

Indicators

ESG frameworks measure disclosure and performance across three key areas: environmental sustainability, social responsibility and corporate governance. As there are many ESG topics that can be addressed across these three categories, we identified several key indicators across ESG that are material to us and our investors. Inherent to venture capital are the relatively small operations and consequently small teams.

We strive for a better integration of ESG factors into our policies, as we believe that creating awareness about ESG will mitigate internal risks and benefit our portfolio companies in the long run.

Best Practices

As providers of sustainable finance, BVP adheres to a variety of internal and external guidelines and initiatives:

- FundRight: all participating investment companies and the management teams of their current portfolio companies aim to have a diverse mix including 35% women by 2023.
- Conduct policy: BVP employees follow an internal code of conduct with high ethical standards, ensuring fairness, integrity and transparency.
- Safety, Health and Environment (SHE): a constantly updated regulation aimed at guaranteeing a safe environment within the Brightlands campuses for people and nature.
- 40% of the positions within BVP's own partner structure are held by women.

Findings

Analysis of ESG data can provide important insights in the performance of the portfolio. But perhaps more importantly, it gives insights on where BVP, together with its portfolio companies, should improve. Below are some actionable topics that BVP aims to address in the near-term:

Only 14% of board positions are held by women. BVP aims to bring this on par with its Fundright goal (35%).

Healthcare entrepreneurs are less aware of topics such as life cycle analysis and circularity, BVP aims to increase awareness.

Fund IV Vision

BVP Fund IV will adhere to the Principles for Responsible Investment (PRI): a voluntary and aspirational set of investment principles instituted by the United Nations that offer a menu of possible actions for incorporating ESG issues into investment practice. More specifically, ESG issues will be considered in the due diligence process and monitored during the holding period.

In addition to active monitoring of ESG issues, FundIV will consider, where appropriate, ways to realize potential value through improving ESG performance and operational efficiency over time.

7. Summary

We hope that this impact report has provided a deeper understanding of what we and our portfolio companies have achieved and expect to achieve in the future, with regards to impact. To summarize, we have listed some of the most impactful statistics per investment sector below.

IMPACT 1: RENEWABLE CHEMISTRY

Waste reduction and circular systems by recycling and re-using materials

Fossil feedstock replacement through the creation of bio-based feedstocks

Energy efficiency by using waste streams and energy conserving solutions

Expected savings of 4,500,000 tons of CO₂-eq in the next five years (at 100% achievement of business plan)



IMPACT 2: AGRIFOOD

Crop yield increase of 5% – 15% through technological and bio-based innovations

Reduction of harmful substances such as chemicals used for soil disinfection and Greenhouse gases

Efficient land use causing an increase in nutritional value per hectare

Labor shortage reduction by automating harvesting processes



IMPACT 3: HEALTH

Less post-operative complications via more efficient medical devices and methods

Solutions for hard-to-treat patients by innovative ideas that lead to new therapies

Treatment cost reduction Because of more efficient treatments, less production costs and reduced need for re-intervention

Reduction of ecological footprint through the creation of energy and resource efficient processes



8. Way forward

Learnings

By starting with impact reporting, we allowed ourselves to reflect on realized and expected impact. We are proud of our achievements, but at the same time we continue to see great challenges for the future. By initiating impact reporting, we have learned multiple lessons along the way:

- To systematically measure and reflect on impact, the right frameworks must be in place.
- Impact reporting requires dialogue with portfolio companies.
- The portfolio scores relatively well on governance, but gender diversity needs to improve.
- We aim to measure and disclose negative impact as well in future impact reports.
- We want to put impact more explicitly on the agenda as a topic of discussion with (prospect) portfolio companies.
- Impact indicators such as HEBs and GHG emission need more thorough analysis and new indicators such as QALYs and biodiversity impact need to be added in future impact reports.

Integration

As is the case with most startups, our portfolio companies are not in the position yet to have developed ESG and impact policies. This is because startups have small teams, limited time, and because most early-stage portfolio companies are primarily focused on converting proof of concept into a minimum viable product. It is for these reasons that BVP aims to integrate impact reporting into current policies in a manner that is proportionate to the developmental stage of the company.

Fund IV

In 2021, BVP raised its fourth fund: BVP Fund IV, a closed-end venture capital fund with current investor commitments of € 45 mln at first closing. The fund has a primary focus on investing in start-ups and scale-ups in renewable chemistry, agrifood and health, with unique technology and market propositions that have the potential to create breakthrough innovations with a positive impact on people and planet. BVP aims for a more thorough integration of impact with Fund IV by taking expected impact into account in the decision-making process and embedding impact-related milestones.

Sustainable Finance Disclosure Regulation (SFDR)

From 2022 onwards, the SFDR will oblige investment funds in the EU to disclose their sustainability profile with the goal of increasing comparability and creating awareness with investors. In addition, the new EU Taxonomy sets out the criteria that determine a product's sustainability profile. BVP, with the aim of leading by example, is working on incorporating both SFDR and Taxonomy requirements into its Fund IV policies, thereby giving impact an even larger role in Fund IV.

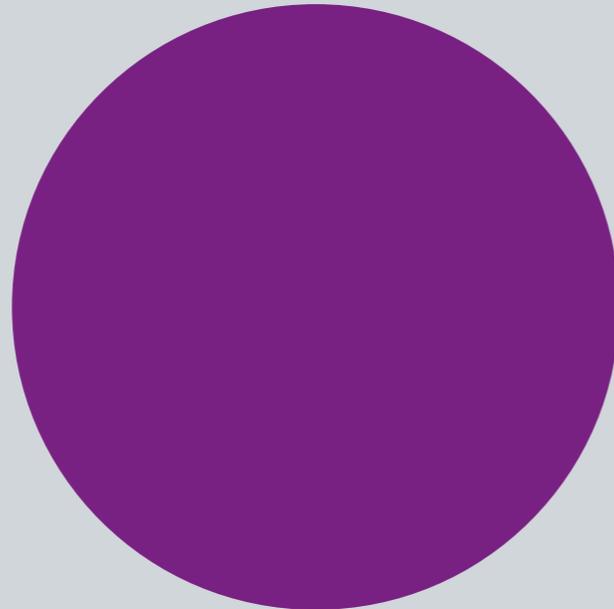
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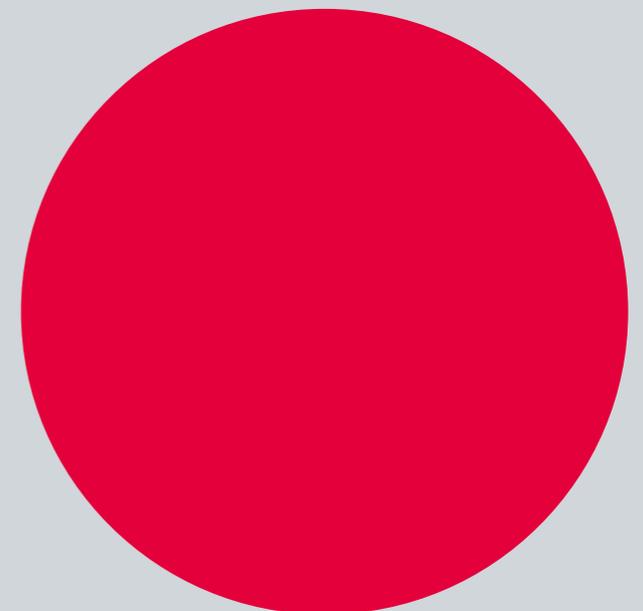
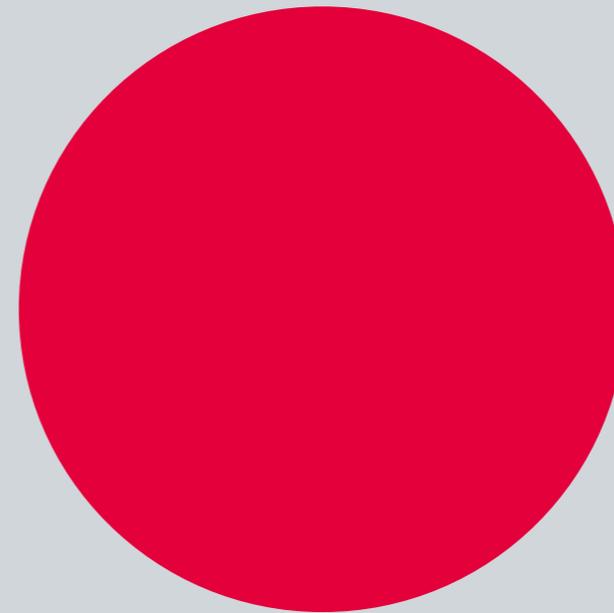
Photos: Dols Fotografie, Grassa, Ioniqa and Neuroplast

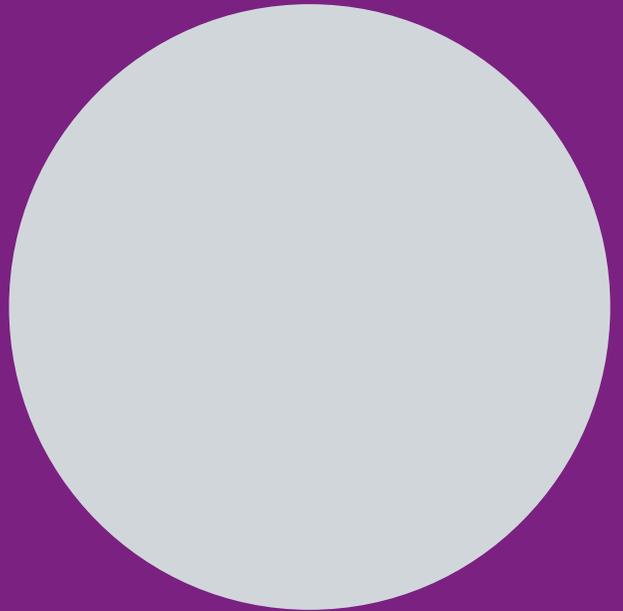
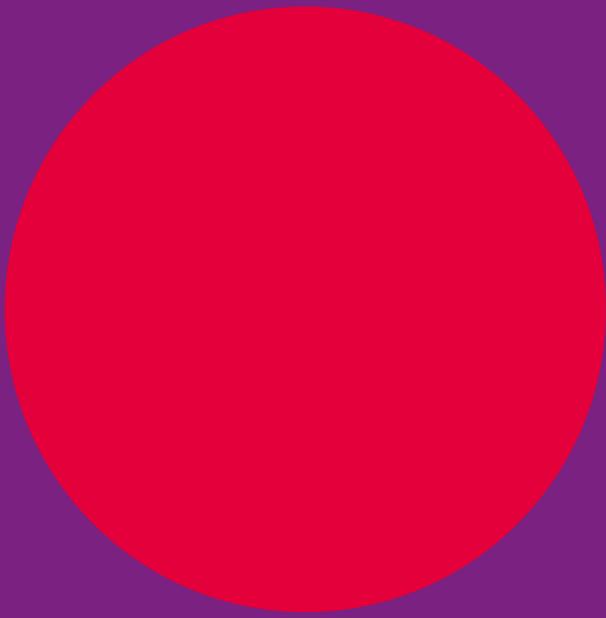
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