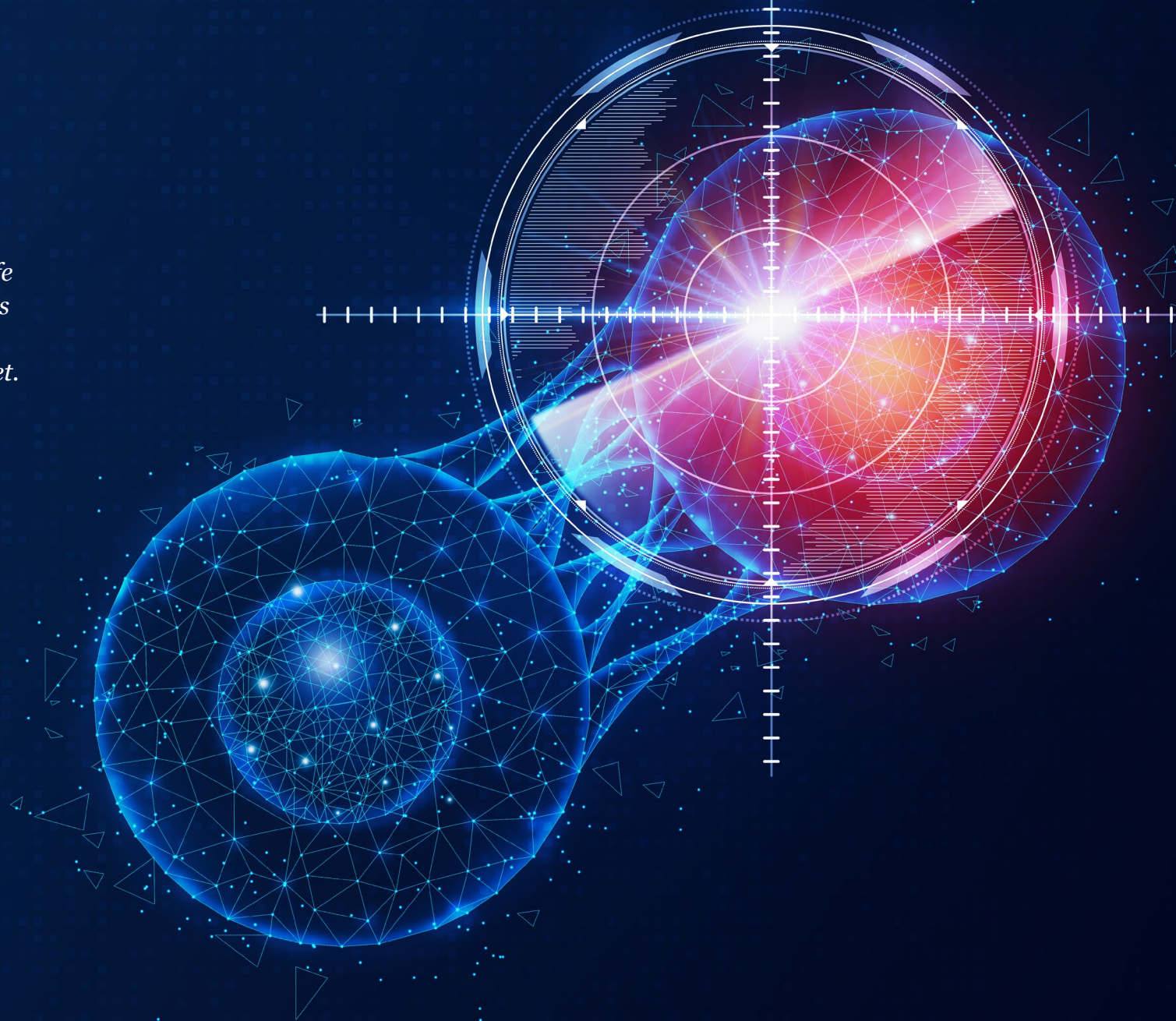


Because science
and people matter

Science and technology are integral to our understanding of the mysteries of nature, life and the universe. They can improve our lives by creating new inventions, products and services that benefit humanity and the planet.

Pioneering scientific advances are not without challenges and risks of their own making, such as ethical dilemmas, digital divides, social inequalities and environmental impacts. We need to ensure that science and technology are accessible to all, used responsibly and aligned with the Sustainable Development Goals.

MICHELLE LAMPRECHT
Head of Corporate Affairs



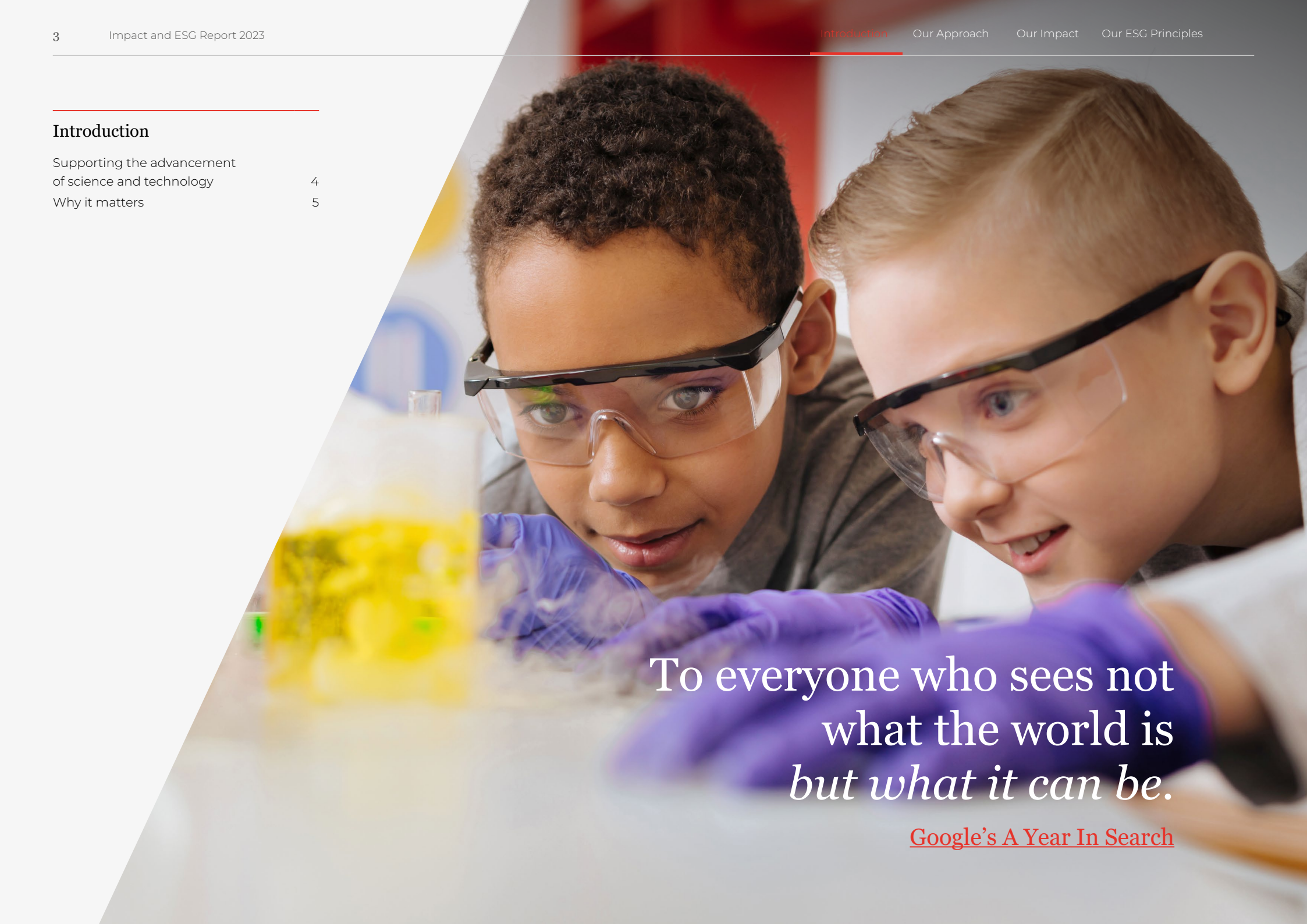
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Introduction

Supporting the advancement of science and technology	4
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A photograph of two young children, a girl and a boy, wearing safety goggles and purple gloves, looking intently at a petri dish in a laboratory setting. The girl is on the left, and the boy is on the right. They are both smiling slightly, suggesting a positive and engaged learning environment. The background is slightly blurred, showing other lab equipment and a red wall.

To everyone who sees not
what the world is
but what it can be.

[Google's A Year In Search](#)

Supporting the advancement of *science and technology*

Cambridge Innovation Capital is a leading venture capital investor in the globally significant Cambridge ecosystem. Our proprietary agreement with the University of Cambridge and deep network of entrepreneurs, research institutes and accelerators, gives us unique insight into the next generation of globally impactful start-ups.

As a team, we have a passion for science and its potential to drive change. Through our expertise and our position in one of the country's most powerful science and technology ecosystems, we are proud to identify and support some of the most promising entrepreneurs in knowledge intensive businesses, to help them achieve their vision.

Our investments are helping to guide the development of disruptive companies in fields as diverse as cancer therapy, genomic diagnosis, surgical robotics, artificial intelligence and quantum computing. Our commercial objective of creating value is central to our business, but our motivation is broader. We are driven by a desire to use our expertise to support companies and the wider innovation ecosystem to positively impact society.

With our backing and expert guidance, we are excited to enable the pioneers in life sciences and deep tech to create world-leading companies whose unique ideas bring global success and impact.

[VIEW "MEET THE INNOVATORS" VIDEO HERE](#)



Founded

10

years

Assets under management

>£0.5bn

Invested in

40

portfolio companies

Attracted

>£2.4bn

of co-investments¹

Supported

>100

founders

Portfolio hired

2,400

employees since investment

¹ Investment in our portfolio companies by third parties prior to, or at, IPO.

Why it matters



ANDREW WILLIAMSON
Managing Partner



MICHELLE LAMPRECHT
Head of Corporate Affairs

We care deeply that innovations at the heart of our founders' businesses have the potential to positively impact people's lives. When we review an investment opportunity, we consider its social and environmental impact alongside the financial merits of the business. The most attractive companies are those with a sustainable long-term business model with the potential to benefit society.

It matters to us that our investment activities align to the values of our team and to broader societal objectives. We believe that prioritising impact and ESG will enhance financial returns over the long term. Cambridge has an entrepreneurial ecosystem that connects people, research, and business, drawing in talent and financial backing to fuel its progress. We support that progress by accelerating the consideration of impact and ESG factors within our companies' operations. Our work with partners, co-investors and the wider Cambridge community is helping to instil good ethics, values, and practice from an early stage.

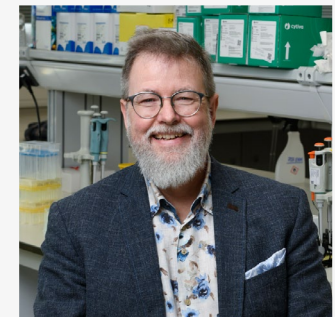
Impact reporting provides information on the ways that our investments create positive impact, particularly through the products and services that they may create and offer. Impact reporting also highlights who benefits from these investments and to what extent. ESG reporting provides information on the ways we identify, mitigate, manage, improve and report on environmental, social and governance factors and how we identify opportunities to drive good operational practice

We are delighted to share our third Impact and ESG Report, highlighting our work over the last 12 months and our progress over the last three years.

What our entrepreneurs say



BEK SIMMONS – RIVERLANE



TOM WEAVER – PETMEDIX



SCOTT WHITE – PRAGMATIC



Why it *matters* continued

What's good for business is good for people

Our team is passionate about the positive impact science and technology can have on the world. We care deeply about the commercial potential of innovation but our motivation is broader - to add as much value to society as possible.



DAMIAN CROWTHER

Entrepreneur in Residence at Cambridge Innovation Capital

As I witness the aging of my relatives, I'm acutely aware of the growing impact of neurodegenerative diseases like Alzheimer's, Parkinson's and Huntington's. Astonishingly, the annual societal cost of Alzheimer's disease alone is projected to surpass \$1 trillion by mid-century. We must act proactively to combat dementia before it overwhelms our societies. To achieve this, we must take two key technological strides: early disease detection and effective treatment development.

In my role as Entrepreneur in Residence, jointly with CIC and SV's Dementia Discovery Fund, I am uncovering innovative technologies from the MRC and University of Cambridge. Collaborating with academic co-founders, we are establishing a company dedicated to tackling the root causes of Alzheimer's and Huntington's diseases. Through the development of highly potent therapies for these critical diseases, I am confident in our ability to create value for both patients and investors.

Our Approach

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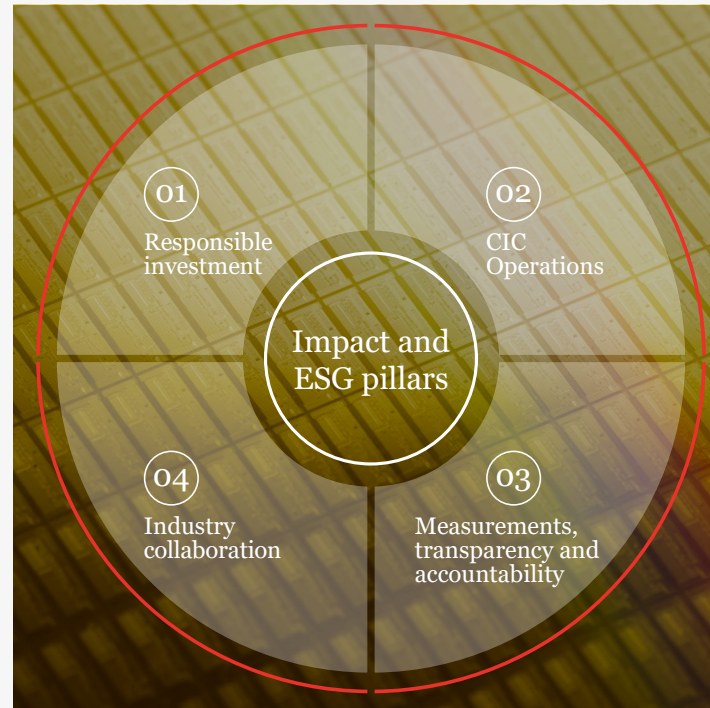
Guiding principles

01 Responsible investment

We are a signatory of the UN Principles for Responsible Investment, which encourages transparent and evidence-based investment and stewardship. We are also a signatory to the Investing in Women Code, which aims to improve female entrepreneurs' access to tools, resources and finance. Our investment process reviews potential reach and impact of innovations, including numbers of people and likely effect of an innovation on their lives. We consider the environmental impact and low carbon economy benefits and we look at potential employment impacts, including diversity and equality.

04 Industry collaboration

As an established venture capital organisation, we are active partners in the wider improvement of industry standards and responsibility. We are members of the British Private Equity and Venture Capital Association (BVCA), where our Managing Partner is the Chair of the Venture Capital Committee. We are also on the steering committee of ESG_VC, which helps early stage businesses understand, measure, benchmark and improve their ESG performance.



02 CIC operations

Within our own operations, we adopt best practices to reduce our carbon footprint and protect natural resources. We operate a social policy aimed at growing and strengthening our human capital, and advancing diversity, equity and inclusion through recruitment and management policies so that our team reflects the cultural mix of our portfolio companies. We also ensure that all of our employees and encourage those of our portfolio companies comply with all relevant laws and regulations, upholding the highest levels of integrity. We provide our portfolio companies with a comprehensive Impact and ESG toolkit to support their own Impact and ESG progress.

03 Measurements, transparency and accountability

We track our performance through KPIs, including the number of companies in which we are invested, the amount of capital raised by our portfolio companies and the number of employees in our existing portfolio companies. We use the Impact Management Project (IMP) framework to assess the impact of our investments and the UN Sustainable Development Goals (SDGs) to encourage correct behaviours in our portfolio companies.

Tangible progress

Over the last two years, we have worked diligently to engage portfolio companies, including:

- creating a bespoke ESG Toolkit to guide early-stage businesses in the identification and management of ESG risks in their operations and the measurement and reporting of the positive impacts that are generated by their activities;
- providing guidance on materiality assessments to identify appropriate ESG workstreams;
- augmenting the toolkit with a programme of education and engagement including workshops and roundtable discussions; and
- celebrating successes through portfolio company case studies.



Carbon accounting – new portfolio programme

In 2023, with the help of [WeESG](#) and [Carbon Calculated](#), we designed and funded a customised carbon accounting programme for a select number of companies:

- educating our portfolio on the benefits and methodologies of carbon accounting;
- supporting their emissions calculations, Scope 1, 2 and 3, including consideration of the impact of upstream/downstream activities;
- providing advice on reducing emissions and, where appropriate, a pathway to net zero; and
- highlighting the reporting each company will need to undertake at key stages of its projected growth, including latter funding stages and potential M&A.



Carbon accounting – CIC operations

We continue to calculate the carbon footprint of our internal operations (Scope 1–3) and have introduced an active programme to reduce these emissions, where possible.



Diversity, equity and inclusion (DEI)

In 2022, we increased and improved our DEI training, so that each team member now completes a training module on a regular basis.



Enhanced accountability and review

Sustainability is now a regular item on CIC's board agenda, both within our internal operations and through our investments, after three years of measuring and reporting transparently on the progress of our portfolio.



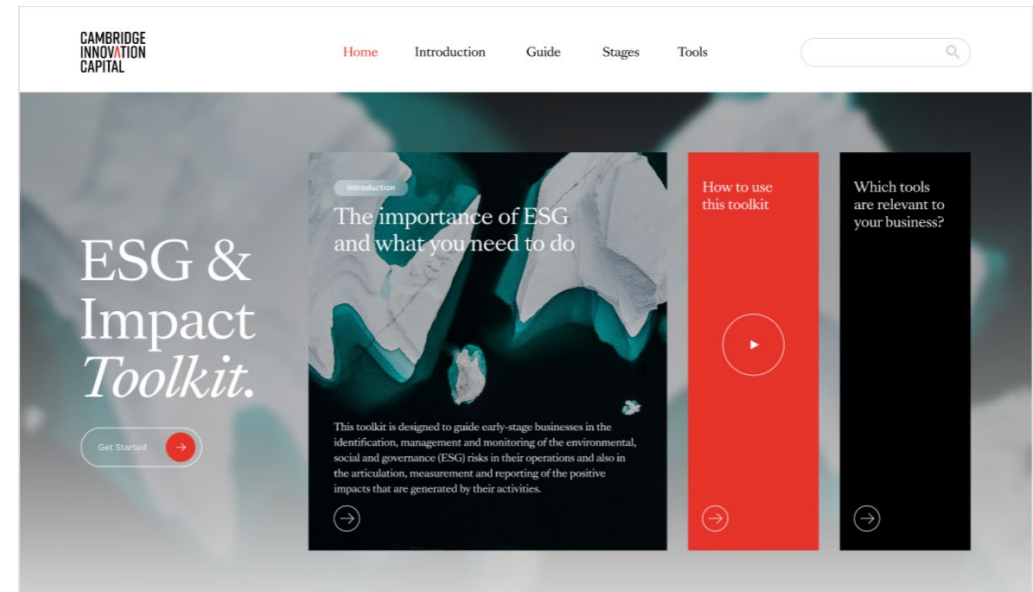
Enhanced *portfolio support*

Portfolio toolkit

Since 2021, we have required all portfolio companies to adopt a set of ESG related policies to ensure compliance and good working practice. These include H&S, Code of Conduct, Anti-harassment and Discrimination, GDPR, Cybersecurity and Anti-bribery and Corruption. In 2023, we enhanced these requirements to include a DEI (Diversity, Equity and Inclusion) policy, regular DEI training for all staff, and measurement of Scope 1 and 2 emissions. To support our companies further with these requirements, we have updated and enhanced our bespoke toolkit with new information and guidance on regulatory requirements, carbon accounting and DEI. In addition, the toolkit will be linked to the ESG_VC measurement framework, so that each area of improvement suggested in an individual company's dashboard will be supported by relevant advice.

Portfolio engagement

We provide a continued programme of education and engagement around all aspects of impact and ESG, including a series of events and portfolio case studies focusing on our annual priorities.



Portfolio results

We have adopted the [ESG_VC Measurement Framework](#) to review the individual and aggregate performance of our portfolio and identify areas for improvement. We collect data from our companies on an annual basis to monitor and support their progress.

We are pleased to see the continued improvement of our portfolio companies across each of the areas of environmental, social and governance, and in particular, that 100% of our companies now have an ESG policy and/or an appointed person responsible for ESG.

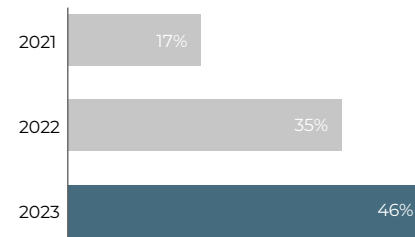
Whilst acknowledging these improvements, we also acknowledge that further improvement is required, in particular, in the number of individuals that identify as female in leadership positions, and in the reduction and elimination of the gender pay gap.

2023 survey highlights

Environmental

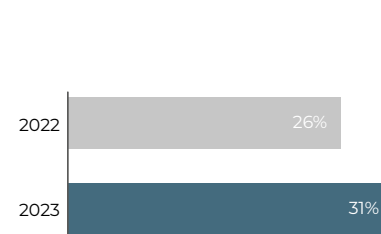
Companies that have calculated their carbon footprint or plan to do so within 12 months

+11%



Companies that have a net zero policy, or intend to have one within 12 months

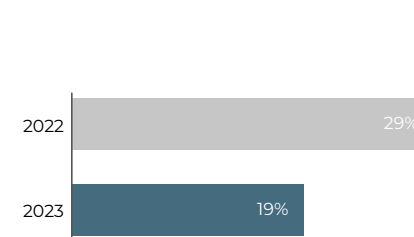
+5%



Social

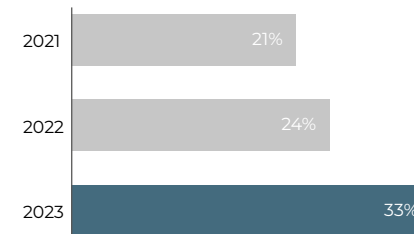
Companies' gender pay gap

Reduced by 10%



Companies with individuals that identify as female in senior management and leadership positions:

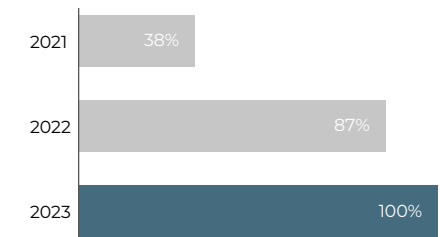
+9%



Governance

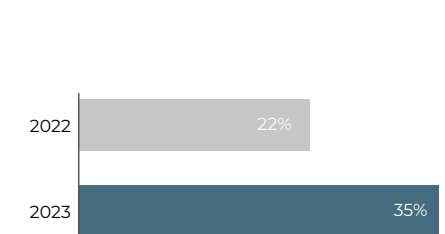
Companies that have an ESG policy or have appointed someone to be responsible for ESG:

+13%



Companies that include sustainability as a regular board agenda item:

+13%



Priorities for *the next 12 months*

Using the annual survey of our portfolio companies to guide future improvements, we have embarked upon several initiatives to address specific priorities, including:

1. Continued focus on carbon accounting in the portfolio, including a case study-based workshop, which will share knowledge and insights gained from this year's pilot portfolio programme; and
2. Increased focus on gender and ethnic diversity across all levels of portfolio company employment, including increased guidance and materials on diverse recruitment practices and inclusion training.



I have been impressed by the guidance CIC provide for its investee companies about best practice in ESG and impact management.

CIC's approach is thoughtful and appropriate for each company's size and stage of growth, embedding good practice early on. CIC is also active in encouraging coalescence around shared industry standards which will improve the experience of impact focused companies and investors in being able to measure and manage their impact.

RANA MODARRES
Impact Director, M&G Catalyst

Culture

Different kinds of people make a different kind of company.

Diversity of thought, experience and background breeds success.



We strive to be good citizens and successful business partners. Our values are what steer us as we build a prosperous and sustainable future, enhance financial returns and have a positive impact on our stakeholders. They are a true representation of our amazing team and characterise exactly what it means to be part of Cambridge Innovation Capital.



WE WANT
TO **ACHIEVE THE**
EXTRAORDINARY

We think big and believe anything is possible

We seek to be the best at what we do

We are pioneers; we are bold



BUT
NOT AT ANY COST

We are committed to doing the right thing, even when no one else is looking

We speak with honesty, think with sincerity and act with integrity



WE HAVE A PASSION
FOR **LEARNING AND**
KNOWLEDGE

We are a people business and our success is built on enabling the growth and development of our team

We seek to ensure all members of our team are effective and fulfilled in their work



AND KNOW WE ARE
STRONGER TOGETHER

We use our combined resources, internally, and in the Cambridge ecosystem, to get the best results

We pride ourselves on our ability to collaborate across sectors and markets



WE WANT A **CULTURE**
WHERE EVERYONE CAN
BE THEMSELVES

We celebrate different views and seek to avoid hierarchies

Each person on our team matters and plays an important role in our organisation's success



AND TAKE **PRIDE IN**
GIVING SOMETHING BACK

As individuals and as an organisation, we can make a real difference to the future, our community and the environment

We contribute positively to the Cambridge ecosystem, making it a great place to work, live and thrive

Commitments

Our commitment to the ecosystem

In Cambridge, innovation is the engine of growth. Through our unique relationship with the University of Cambridge, we sit at the heart of the ecosystem and play a central role in a wide range of initiatives supporting growth and opportunity in the region.

Cambridge Innovation Capital, together with Cambridge Enterprise and the University, launched **Innovate Cambridge**, an initiative aiming to define an inclusive, ambitious, and broad-ranging innovation vision for the Greater Cambridge region.

The initiative includes leaders from industry, the investment community, accelerators, the University and other research institutions, local government, science and technology parks, networks and programmes, start-ups and entrepreneurs.

We believe Innovate Cambridge provides an inclusive, forward-looking vision for the ecosystem, which will ensure the city continues to innovate, compete, and deliver impact on a global scale well into the future.



There are four key ingredients central to this aim:

1. *putting the right infrastructure in place to ensure Cambridge continues to be a great place to live, work and base businesses;*
2. *ensuring access to funding for those organisations does not become a bottleneck for innovation;*
3. *enabling the ecosystem to attract the best talent from across the world; and*
4. *ensuring the growth we are all driving is sustainable and inclusive, benefitting everyone in the ecosystem.*



Commitments_{continued}

Our commitment to responsible investment



The Investing in Women Code is a commitment by financial services firms to the advancement of female entrepreneurship through improving female entrepreneurs' access to tools, resources and finance.

We are committed to supporting diversity within the industry. Our ESG initiatives emphasise our own targets in advancing equality and inclusion within CIC, particularly through recruitment through which gender and ethnic diversity is part of all shortlisted positions.



LSX Female Founders was founded to connect women entrepreneurs in the health and life science field with investors, as well as offer mentorship from relevant industry professionals.

As a founding partner of LSX Female Founders, we are pleased to have the opportunity to make a greater impact on diversity in the industry on a much larger scale. Together with our fellow founding partners, we can offer a combined network of over 10,000 investors to support the progression of new businesses.



The PRI believe that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Such a system will reward long-term, responsible investment and benefit the environment and society as a whole.

The PRI will work to achieve this sustainable global financial system by encouraging adoption of the Principles and collaboration on their implementation; by fostering good governance, integrity and accountability; and by addressing obstacles to a sustainable financial system that lie within market practices, structures and regulation. By being a signatory of the UN Principles for Responsible Investment, we endorse and commit to transparent and evidence-based investment and stewardship.



Cambridge Innovation Capital is a Carbon Neutral Business.

Carbon Neutral Britain's vision is to become a leading Non-Governmental Organisation (NGO) in Britain to tackle the Climate Change Crisis by educating and providing voluntary carbon offsetting to all - from individual subscriptions, charities and organisations - to businesses of all sizes.

Commitments continued

Our commitment to progress best practice within the industry

As part of our commitment to drive the adoption of best practice within the venture capital industry, we have collaborated with a number of our partners and peers on a series of activities including:

- co-organising and co-hosting an event at Mansion House in September 2023, attended by a wide range of venture capital companies, LPs and portfolio companies;
- creating and sharing resources, such as ESG tools and policies; and
- working with co-investors to collaborate on introductory ESG workshops for new investments.

The Road Ahead

ESG-VC

Hosted by

BERINGEA CAMBRIDGE INNOVATION CAPITAL

Supported by

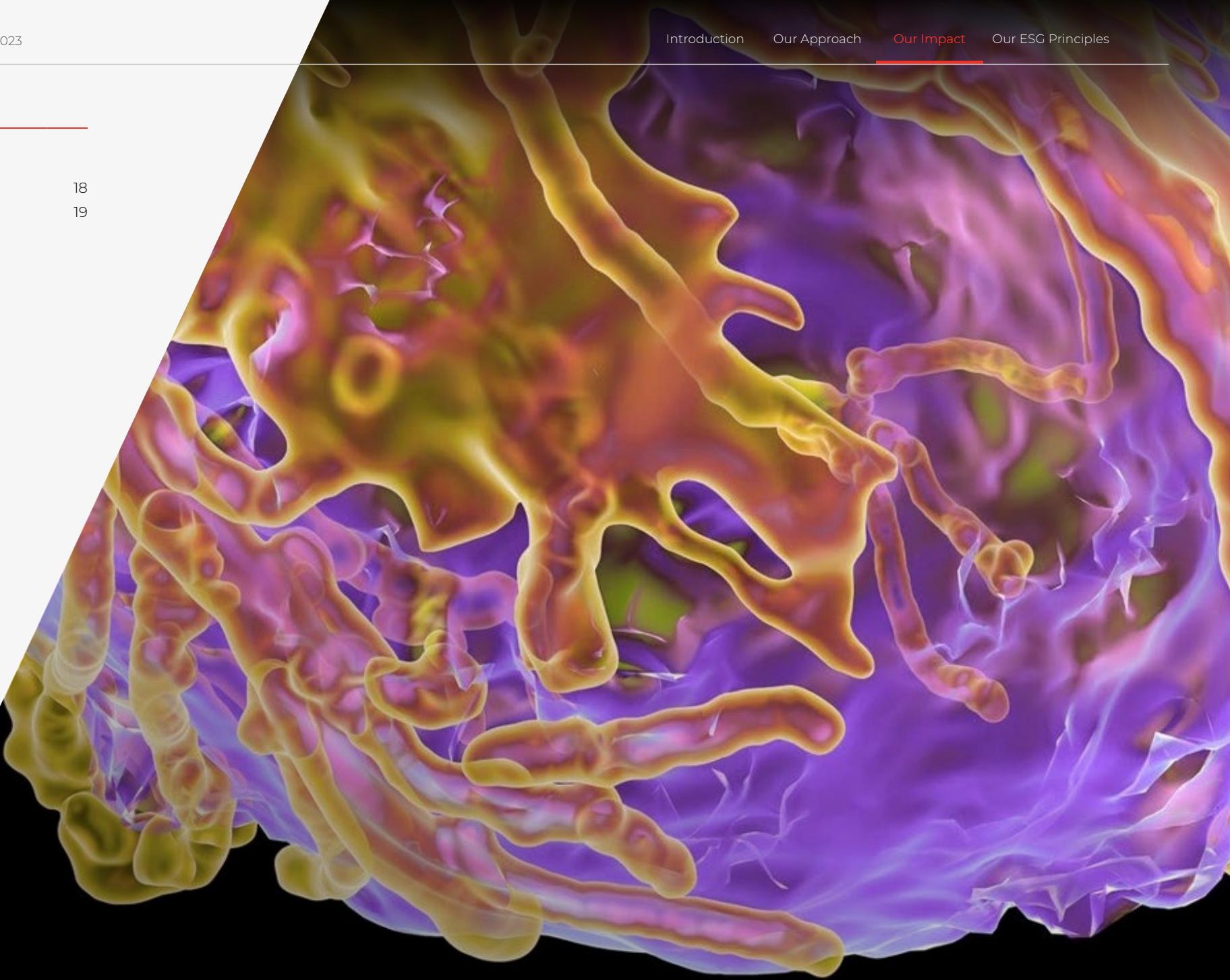
IBDO CITY OF LONDON HSBC Innovation Banking orrick

ESG INDUSTRY EVENT AT MANSION HOUSE, SEPTEMBER 2023, CO-HOSTED BY CAMBRIDGE INNOVATION CAPITAL AND BERINGEA ON BEHALF OF ESG_VC



Our Impact

Delivering positive impact	18
Portfolio impact	19



Delivering *positive impact*

As a Series A investor, we are often the first institutional investor to invest in a company. This provides us with an ideal opportunity to instil best practices at an early stage.

Our theory of change

Our theory of change shows how we seek to: support the development of innovation and entrepreneurship in the Cambridge ecosystem; invest in entrepreneurial founders building category-leading, global businesses; and achieve enhanced financial returns for our investors by investing in best-in-class companies and supporting the growth of those companies with the resources available. Beyond that, it shows how we seek to have a positive impact on society.

Challenges

- Insufficient support for entrepreneurial innovation
- Insufficient funding for early stage companies
- Low success rate for early stage companies
- Innovations that can deliver value to society may not find a way to scale
- Lack of diversity in entrepreneurs and employees may result in missed opportunities

Activities

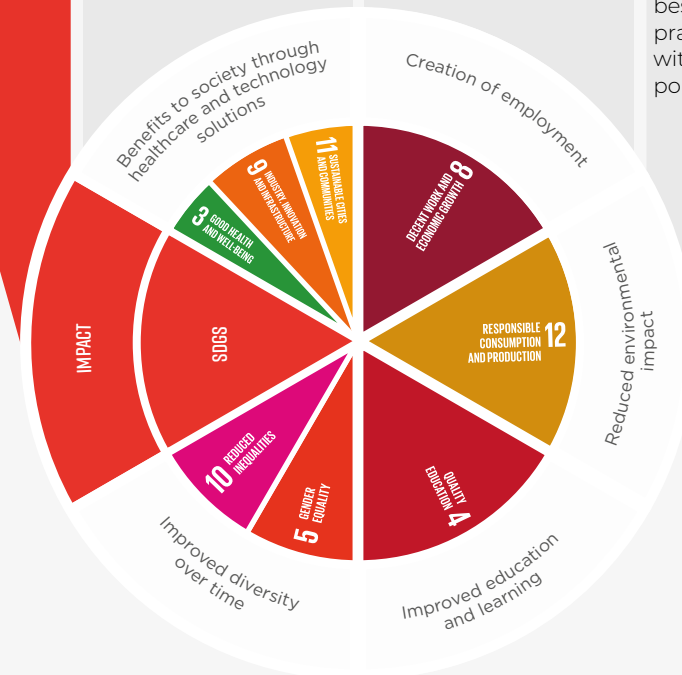
- Deep engagement with the Cambridge ecosystem
- Early stage assessment of potential reach and depth of impact
- Investment and other support for entrepreneurs and their businesses
- Strategic support to help build sustainable businesses
- Encourage wider diversity in entrepreneurs and employees of portfolio companies

Outputs

- Development and commercialisation of impactful innovations
- Maintain a balanced and diversified portfolio
- Facilitate access to capital through building investment syndicates
- Opportunities identified for impact enhancement aligned with commercial goals
- Identify best practices within the portfolio

Outcomes

- Enable visionaries to build global, category-leading companies
- Deliver enhanced financial return for our investors
- Attract more investment into our portfolio companies
- Cross-fertilise ideas and people within the portfolio to enhance outcomes
- Share and promote best practice within the portfolio



Portfolio *impact*



At Pragmatic, we see our role in our industry as two fold. We are leading the way in sustainable semiconductor manufacturing, whilst, at the same time, driving innovation in semiconductor technologies that will underpin solutions to some of our greatest societal and environmental challenges.

DAVE MOORE
CEO

Company description

Pragmatic is revolutionising semiconductor fabrication with ultra-low-cost, flexible integrated circuit (FlexIC) technology, which makes it quick and easy to embed intelligence almost anywhere.

FlexICs are thinner than a human hair and, can be invisibly embedded in objects and enable solutions that are simply not possible with conventional electronics.

With rapid cycle times that substantially accelerate time to market, our foundry provides high-volume fabrication at a fraction of the cost of silicon, with a significantly lower environmental impact.

The company's large-scale manufacturing facility, Pragmatic Park, opens this year. Housing the UK's first state-of-the-art 300mm fab, it sets the standard for smart, sustainable semiconductor manufacturing. When fully operational, it will be the highest-volume semiconductor manufacturing facility in the UK.

Impact thesis

The Internet of Things (IoT) is big business. In fact, by the end of the decade, its global value is set to soar to \$12.6 trillion.

Silicon chips underpin the vast majority of the IoT's data-gathering devices, but they have an outsized environmental footprint: fabrication is an energy-intensive process, uses harmful chemicals and gases, and consumes millions of litres of water – often in areas of water scarcity.

As the Internet of Things becomes the Internet of Everything, and connected devices proliferate, the environmental impact of using silicon chips across trillions of items would be significant.

By comparison, the semiconductor technology that Pragmatic has developed is a real alternative to the silicon chip, with a significantly smaller environmental footprint in CO₂, water and gases. In addition, Pragmatic's manufacturing facility has a notably smaller physical footprint than its silicon counterpart and we are actively assessing our current carbon footprint with the support of CIC and WeESG. This has allowed us to understand the source/origin of our emissions and take targeted action to minimise their impact. We see this as a critical first step towards our net zero emissions goals and we have action plans to reduce the footprint over the following years.

Impact summary

The reduced environmental impact of Pragmatic's chips makes them a compelling alternative to legacy silicon across a broad range of use cases. Flexible chips cannot, and will not, replace silicon for every application. But in the IoT, using flexible semiconductors for myriad tasks where "just enough" performance is more than enough, we can free silicon – with its weightier environmental overheads – for applications where they are really needed. In this way, technology can become part of the solution that we face, not part of the problem.



The application of Pragmatic's technology can also support the broader sustainability and net zero goals of organisations. For example, enabling packaging re-use and recycling, helping to eliminate food waste and reducing the environmental impact of plastics – in a cost-effective way – are just some of the initiatives that can be accelerated by Pragmatic's technology.

ESG priority

Environment and sustainability. Pragmatic began assessing its carbon footprint for 2022 with the support of the CIC and WeESG. As a fast-growing semiconductor company that is not yet manufacturing its products in large quantities, this voluntary action is a proactive and prudent one. This has allowed us to understand the source/origin of our emissions and take targeted action to minimise the footprint. This demonstrates our commitment to ESG and long-term environmental sustainability. This is a first step towards our net zero emissions goals. Actions are planned to reduce the footprint over the following years and implement a well-thought-out, long-term plan to achieve the net zero.

Portfolio *impact* continued



I bring a passion and a total commitment to the reality and necessity of building a sustainable future. Our journey from university programme to where we are now, a company delivering product in production scale quantities – millions of devices - to brand-leading customers worldwide, has demanded that we dare to be different.

GIORGIA LONGOBARDI
CEO

Company description

Cambridge GaN Devices (CGD) is a fabless semiconductor company that designs, develops and commercialises power devices based on the most energy-efficient semiconductor, Gallium Nitride (GaN), to make greener electronics possible.

Our mission is to bring innovation into everyday life by delivering effortless energy-efficient GaN solutions. CGD's ICeGaN™ technology is proven suitable for high volume production and the company is rapidly scaling up with manufacturing and customer partnerships in place.

A fabless enterprise, CGD was spun out from the University of Cambridge, and its founders, CEO Dr Giorgia Longobardi and CTO Professor Florin Udrea, still retain strong links with the world-renowned High Voltage Microelectronics and Sensors group (HVMS) at the University. CGD's ICeGaN HEMT technology is protected by a strong and constantly-growing IP portfolio which is a result of the company's commitment to innovation. The technical and commercial expertise of the CGD team, combined with an extensive track record in the power electronics market has been fundamental to the market acceptance of its proprietary technology.

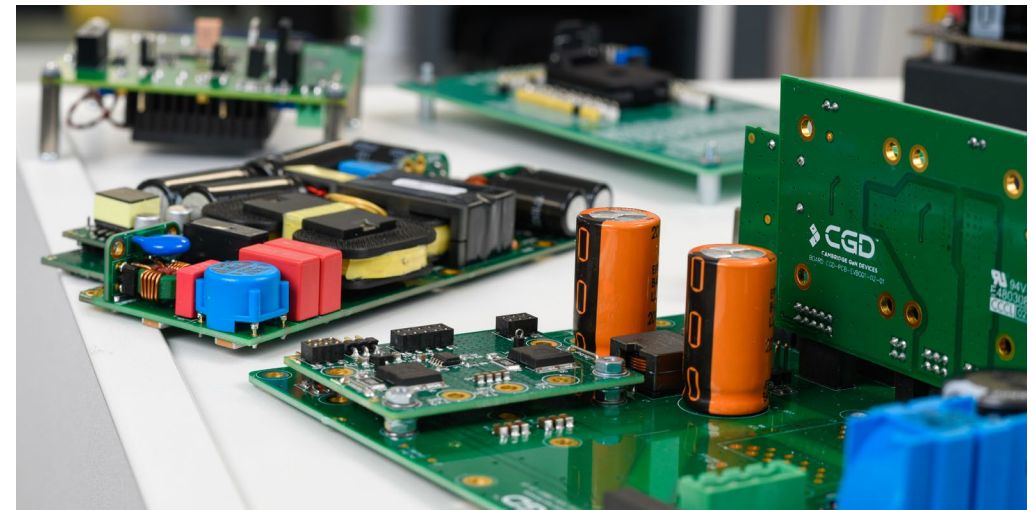
Impact thesis

Climate change, digital transformation, urbanisation and population growth are among the key megatrends that will drive the semiconductor industry to be \$1trillion by 2030.

The transition to energy efficient power devices is crucial in enabling industries and companies to achieve the goal of net zero carbon emissions by 2050.

GaN based electronic devices switch faster and consume less energy than classic silicon-based devices. With GaN, >99% energy efficiency is achievable, enabling a new generation of compact and lighter power converters with reduced environmental impact.

ICeGaN™ technology targets outstanding efficiency with compact solutions and enhanced reliability, through easy-to-use power transistors. We put leading-edge innovation at the forefront of our mission, applying deep science from our roots in the University of Cambridge and close engagement with customers, investors, partners and employees. It is not just about GaN. Our identity and respect for the environment goes well beyond our products.



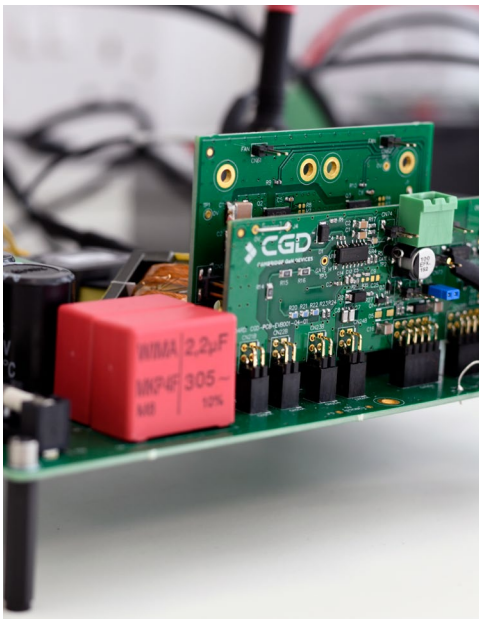
Portfolio *impact* continued



Impact summary

Adoption of ICeGaN™-based power converters in datacentre servers could save up to 34 TWh/y of electricity and 24 million metric tons of CO2 per year by 2030. This corresponds to three million households of electricity consumption per year or 6,600 wind turbines running for one year.

This is just one area of adoption CGD is targeting – as our product portfolio continues to develop, our opportunity for enabling a greener future broadens.



ESG priority

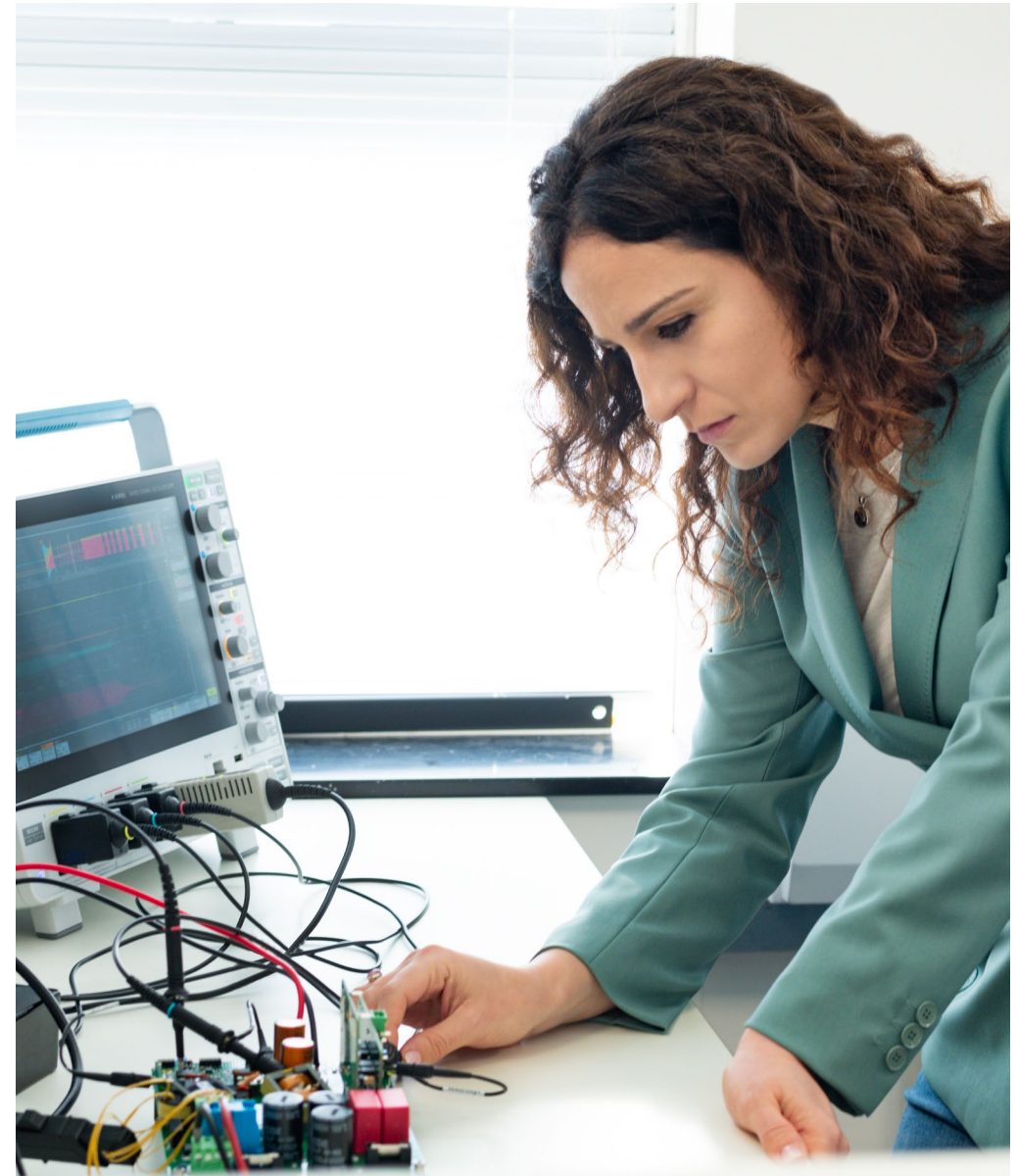
As a young company, our strong belief has always been that you need to have well-constructed core values upon which to build the company. Sustainability is our most visible core value; it runs through the entire company culture and is a true commitment shared by every employee at CGD.

In recognition of this, our focus in 2023 has been to develop and mature our understanding, tracking and calculation of our carbon footprint. As an SME, this can, at first, be a daunting prospect – however, we recognise the crucial role that all companies can play in debunking some of the myths around net zero and creating a common language that we all understand.

With the support of CIC, we have been through a carbon accounting pilot enabling us to calculate our Scope 1 and 2 carbon emissions. However, we recognise that for any company, managing and mitigating Scope 1 and 2 emissions is just part of the wider challenge. As a fabless semiconductor company, our footprint extends to our wider supply chain and we are now looking at ways to calculate and track our full impact (Scope 3).

By understanding this, we can start to track, manage and, ultimately, reduce our impact on the environment.

This has led us to join the SME Climate Hub pledge to achieve net zero before 2050 and it is only through tracking and reporting that we will hold ourselves to account to achieve this.



Portfolio *impact* continued

river lane



Riverlane is the most diverse, open and welcoming environment I've ever worked in. This is very much by design. Besides making this a wonderful place to build a career it increases our innovation immeasurably.

BEK SIMMONS
Chief Operating Officer

Company description

Building a useful quantum computer is perhaps the greatest technical challenges humanity has attempted. Without the broadest representation of human culture and capabilities it simply would not be possible.

Riverlane's mission is to make quantum computing useful far sooner than previously imaginable, starting an era of human progress as significant as the industrial and digital revolutions. From climate change to rapid new drug design, large and reliable quantum computers will help us solve many of humanity's greatest challenges. To make this a tangible reality, we are building the infrastructure and IP to address the industry's defining challenge: quantum error correction. It's a complex opportunity that requires the widest possible range of skills, talents, and passions.

Impact thesis

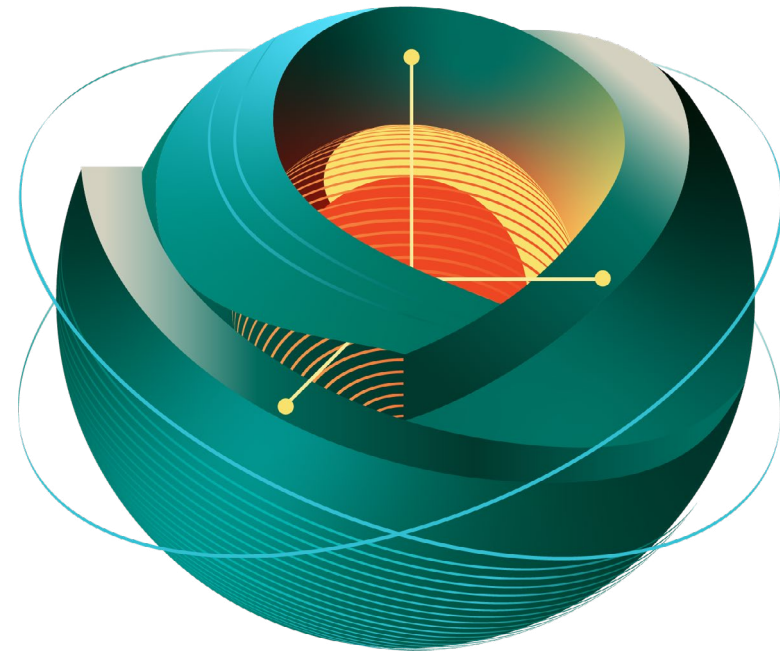
Quantum computing has the potential to have as great a positive impact on society as any technology in human history. Though they are often described as faster, more powerful versions of today's High Performance Computers (HPCs), quantum computers in fact represent an novel new technology paradigm.

By enabling a granular and rich understanding of the subatomic world, including the ability to accurately simulate nature's complexity for the first time, quantum

computers will enable mankind to design heretofore impossible solutions in physics, chemistry and material science for the benefit of people and planet.

Though many of the use cases have not yet been fully conceived or designed as the field is still in its infancy, our thesis is that impacts could include: the ability to rapidly design drugs for new and existing deadly diseases using computer simulation of the complex interactions between candidate drugs and human proteins; the design of new materials

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for batteries capable of storing infinitely more clean energy; and the redesign of today's energy intensive chemical processes to create low carbon fertilizers. The power and emissions from the creation of current ammonia-based fertilizers accounted for 3% of global carbon emissions in 2022.

Portfolio *impact* continued

river lane

Impact summary

We are working to build the 'error correction stack' for all quantum computers. Today, quantum computers can perform only a few hundred error free quantum operations (QuOps). For quantum computers to achieve their transformational potential for people and planet they need to scale to a trillion error free quantum operations (TeraQuOp). We are building the error correction stack for all quantum computers to enable this scaling. If we are successful, we will unlock quantum computing's full potential to solve currently unsolvable problems, including the examples outlined above.

ESG priority

Our impact would be impossible to achieve without diversity, equity and inclusion at our core.

Riverlane brings together people from extraordinarily diverse academic and professional backgrounds, including: quantum physics; mathematics; hardware and software engineering; semiconductor development; chemical and material science; and various professional skills such as human resources and marketing.

We hire not only for technical excellence but for demonstrable ability to work well with others.

The quantum computing talent pool is global. This is reflected in the over 25 unique nationalities in our less than 100 total employees. That is one of the reasons we continually celebrate the cultural and religious diversity of our colleagues through seminars and events celebrating, for example, Diwali and Chinese New Year, amongst others.

The high-tech and quantum computing industries are not known for having good gender balance. However, approximately 30% of Riverlane's workforce identifies as female. Our target is to reach 40% by 2025. To our knowledge, this would lead all quantum companies worldwide and substantially exceeds the 25% average in UK tech companies. We are equally proud that our executive management team is over 30% female.

Our recruitment practices are designed to be inclusive at every stage. We ask candidates to let us if they require reasonable adjustments to the interview process. We have also taken steps to ensure that our job adverts do not deter females (we use a gender bias tool), are advertised in women in STEM/quantum forums and are open to candidates looking for part-time work. It is our policy to ensure gender and, wherever possible, ethnic, and other forms of diversity in the applicant pool and the interview panels for all hires.



We encourage employees to celebrate their individuality. We have held regular events celebrating Pride and have sponsored Cambridge Pride for the past two years. We run open sessions where employees present about causes important to them. Recent sessions have been on mental health and invisible disabilities.

Mental wellbeing is also something we encourage and support through our benefits package. We have a team of mental health first aiders, and our annual mental wellbeing week includes workshops to support those

with mental health challenges. This includes meditation and yoga.

Our hybrid working policy supports those who have requirements for flexibility such as working parents, careers and those with various forms of disability and neurodiversity. Most recently through our new office design, we have incorporated the specific input and needs of neurodiverse colleagues.

Portfolio *impact* continued



In our journey to redefine surgery with innovation and compassion, CMR Surgical holds a steadfast commitment to ‘Transforming Surgery. For Good.’ Our mission, is to make keyhole surgery universally accessible and affordable with our revolutionary Versius surgical robotic system, improving patient care worldwide. With the unwavering support of visionary partners like CIC, we’ve not only achieved regulatory approval across borders but also forged a sustainable path forward, balancing our responsibility to both patients and the planet. Our ESG priorities align with our belief that our people and our planet should not be harmed by our actions. We’re not just setting goals; we’re actively changing and improving, step by step, while championing sustainable partnerships across our entire ecosystem.

SUPRATIM BOSE
CEO

Company description

CMR Surgical (CMR) is a global medical devices company dedicated to transforming surgery with Versius, its next-generation surgical robot.

Headquartered in Cambridge, UK, CMR is committed to working with surgeons, surgical teams and hospital partners, to provide an optimal tool to make robotic minimal access surgery (MAS) – otherwise known as keyhole surgery – universally accessible and affordable. With Versius, CMR are on a mission to redefine the surgical robotics market with practical, innovative technology and data that can improve surgical care.

Impact thesis

MAS has well documented benefits for patients, including reduced pain, discomfort, scarring and risk of infection, along with faster recovery times, when compared with open surgery. These advantages mean that MAS is widely recognised as the best treatment option for soft tissue surgeries.

However, MAS is extremely difficult to perform, which means that 50% of cases globally that could be treated this way are still being performed as open surgery.

The support of robotic systems should help to address this problem by making MAS less mentally and physically challenging for surgeons.

However, robotic systems have historically not been easily accessible to all hospitals. In fact, only 3% of all surgeries globally are being performed with a robot. In Europe it is closer to just 1% of surgeries.

CMR is on a mission to transform surgery for patients around the world, with innovative technology and data that can improve surgical care. CMR took its next-generation surgical robotic system, Versius, from initial concept to reality in just over 5 years. Versius has now been used to perform more than 15,000 surgical procedures across 130 procedure types globally, including in the NHS; a globally recognised benchmark for value-based healthcare.



Portfolio *impact* continued



The dexterity and precision that surgical robotic systems such as Versius provides mean more complex surgical cases can now be performed via MAS surgery instead of through open surgery. This includes procedures such as hysterectomies, which historically have had to be performed using open surgery due to their complexity. The use of Versius in such a procedure has shown a reduction from an average 5-day post-operative stay in hospital to 1-2 days, freeing up valuable hospital bed space and streamlining treatment for patients so that they can return to normal activity, sooner. In a recent case study, Milton Keynes University Hospital NHS Foundation Trust found that through the implementation of a multi-specialty robotics programme using Versius, they were able to save 450 bed days following the first 252 procedures performed using the system.

Versius brings all the benefits of keyhole surgery to the patient while providing surgeons with greater dexterity, precision, and better visualisation than manual keyhole surgery, allowing them to perform more complex procedures. The excellence of its system through its versatility and cost-effectiveness, is delivering on the company's ambition to bring the benefits of keyhole surgery to a much wider patient population.

CIC first invested in CMR's Series A funding round, and has supported the company through subsequent funding rounds as the company has continued to grow. It has achieved regulatory approval in multiple territories and has commercial presence in over 20 countries. Alongside other investors, CIC has supported CMR to bring in a corporate structure that allowed the company to thrive and grow. Through a shared long-term vision, CIC have created an environment where strategy could be constructively discussed, consensus reached, and decisions implemented without impeding the entrepreneurial spirit that has been fundamental to the success of CMR throughout its journey to date. The company has an experienced management team, an incredibly strong technology base and huge ambition. The entrepreneurial spirit of the founders created a dynamic company with a strong internal culture, which in conjunction with the support provided by CIC, is a key contributor to the company's success.

Impact summary

Since its inception, CMR Surgical's ambition has been to make the benefits of MAS available to everyone who needs it by building a small, modular and versatile robotic system in Versius, that is accessible and cost-effective. CIC has always had the long-term vision to support CMR. Since its initial investment, CIC has continued to support the company and shares its mission to transform surgery, for good.

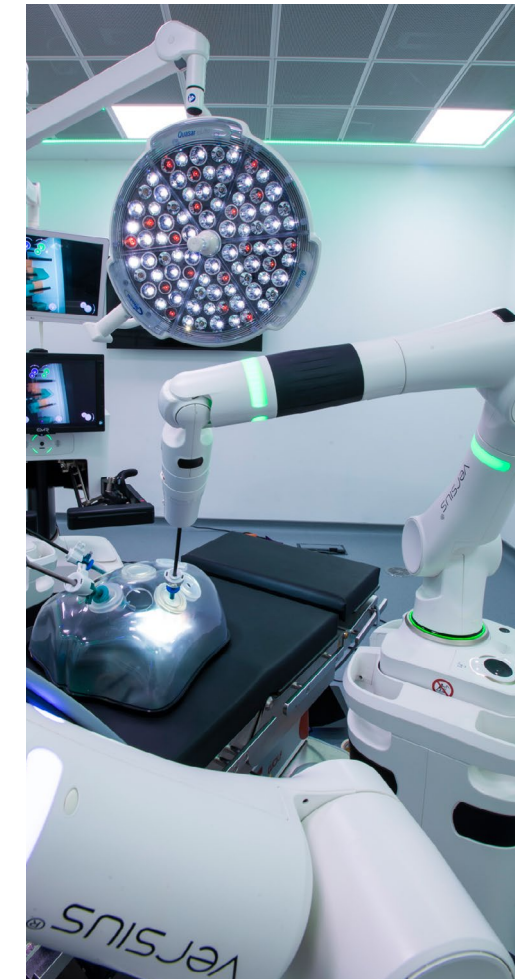
ESG priority

CMR cannot focus on bringing the health benefits of minimal access surgery to patients around the world while turning a blind eye to the longer-term damage being done to the planet. Saving lives now while contributing to the global climate crisis in years to come is incompatible to the company's ethics.

As an organisation, CMR has adopted a pragmatic approach to understanding its sustainability pathway, initially defining its north star as "we believe our people and our planet should not be harmed because of what we do". The commitment and rhetoric is powerful, however, without understanding where the company stands, CMR would be unable to plot its journey. Through evaluation across our Scope 1 and 2 – as defined in the Paris Agreement on climate change – as well as gaining a much deeper knowledge of its Scope 3 emissions, the company can establish its ESG pathway.

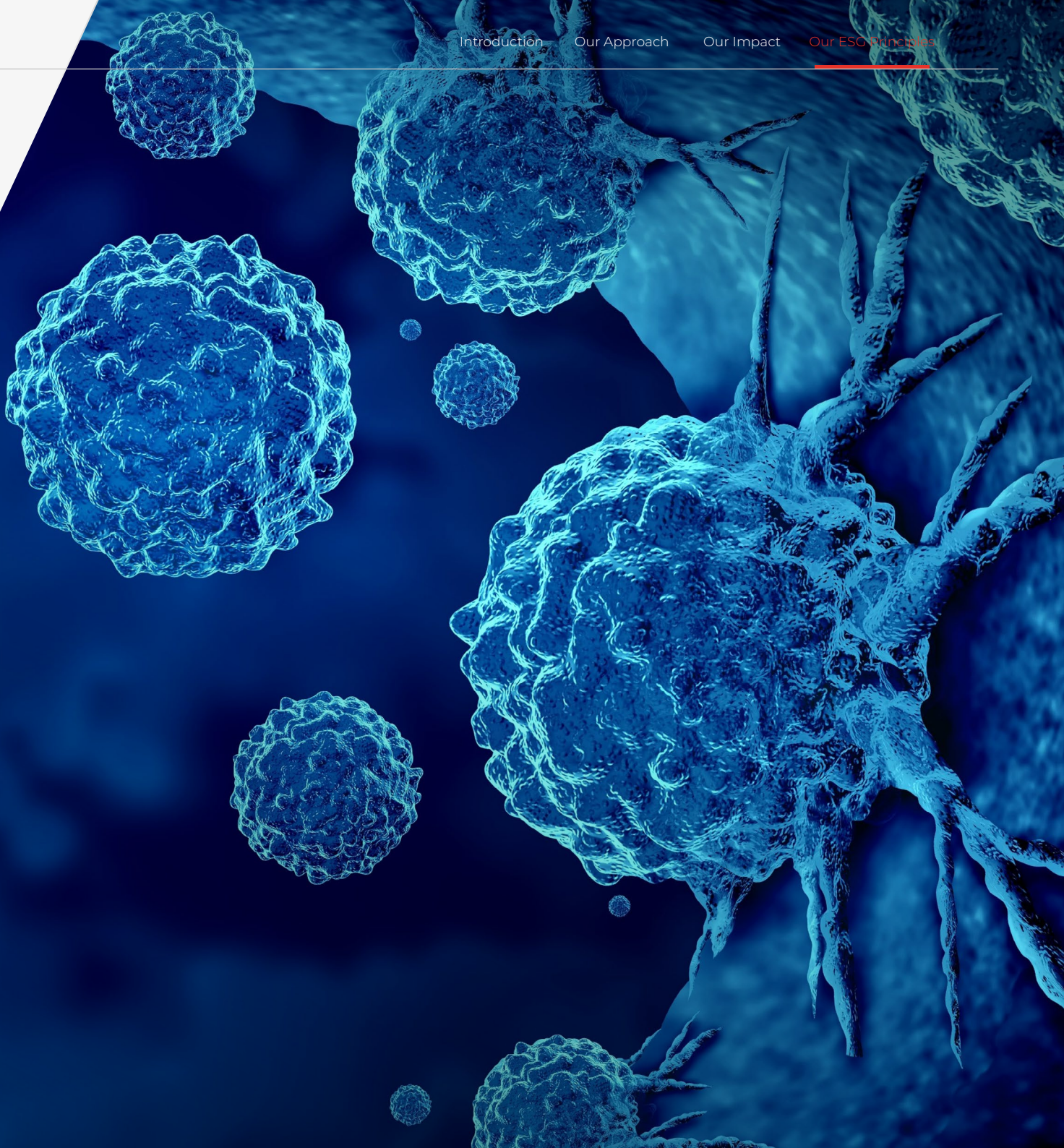
Further to its strong focus on sustainability, CMR is extremely proud of the work it is doing in terms of diversity, belonging and inclusion. The Diversity, Inclusion and Belonging (DIB) working group, in collaboration with Employee-led Resource Groups (ERGs) have established a regular DIB guest speaker programme, and a range of inclusivity initiatives that shine a spotlight on the wonderful and diverse people that bring such value to CMR.

CMR as part of a longer supply chain has reached out to top-tier suppliers engaging with these teams to develop partnerships across the scope of ESG.



Our ESG Principles

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ESG Policy

Environmental issues

CIC seeks to demonstrate environmental leadership in both its internal operations and its investment practice.

- Within its internal operations, CIC adopts best practices to reduce its carbon footprint and protect natural resources. These include managing energy use within CIC company buildings, supporting sustainable commuting for CIC employees, and minimising the carbon footprint of CIC corporate travel.
- Within its investment practice, CIC does not invest in companies whose principal activity requires the extraction of fossil fuels. Instead, CIC proactively seeks investment opportunities in companies that accelerate the transition to a low carbon economy.
- CIC encourages all its portfolio companies to incorporate an assessment of carbon impact and natural resource security into business decisions, including product design, manufacturing, distribution, consumption, and end-of-life product disposal. Where material ESG risks are identified, CIC works with the portfolio company to implement an action plan to address the risks over an appropriate timeframe.

- CIC will facilitate the sharing of best sustainability practices between its portfolio companies and the broader Cambridge innovation ecosystem. This includes developing lists of recommended vendors and partners who uphold environment best practices and providing workshops for the CIC portfolio on identifying and reducing environmental risks.

Social issues

CIC seeks to demonstrate leadership on social issues in both its internal operations and its investment practice.

- CIC recognises that the human capital within the CIC team and its portfolio companies is its most valuable asset. CIC's social policy is focused on growing and strengthening this human capital base. Advancing diversity, equality and inclusion in its recruitment and people management policies is central to CIC's core values and culture. Furthermore, it is essential that the CIC investment team reflects the demographics and cultural mix of the entrepreneurs leading our portfolio companies and the customers and partners of those companies.



- CIC requires gender and ethnic diversity on all shortlists for recruitment to new internal CIC positions.
- CIC encourages all its portfolio companies to undertake an assessment of labour standards within their supply chains to identify any areas of potential concern in terms of workers' rights either with the current sources of raw materials or component parts or with potential future sources as the business scales up.
- CIC requires all portfolio companies to annually report to CIC the diversity profile of their workforce and engages with portfolio companies on strategies for improvement.
- CIC tracks how compensation is distributed in each portfolio company. CIC provides benchmarks for appropriate cash and equity compensation required to recruit and retain world-class talent within its portfolio.
- CIC requires all portfolio companies to have in place clear strategies and processes for consumer protection.

Governance issues

CIC promotes best practices for board governance in all its portfolio companies. As a Series A investor, CIC is often the first institutional investor to invest in a company. This provides CIC with the opportunity to instil best governance practices at an early stage. CIC pays particular attention to the following governance issues.

- CIC requires all its employees, and those of its portfolio companies, to comply with all relevant laws and regulations and uphold the highest standards of business integrity. CIC employees, and those of its portfolio companies, must accept no bribes and declare any conflicts of interest.
- CIC portfolio companies must comply with all appropriate regulations for employee health and safety, GDPR, consumer data protection, and cybersecurity.
- CIC regularly reviews the board composition of each portfolio company to ensure it is appropriate for the needs of the company. CIC encourages all portfolio companies to set diversity targets for board composition and report annually on these targets to CIC.

Impact Management Project

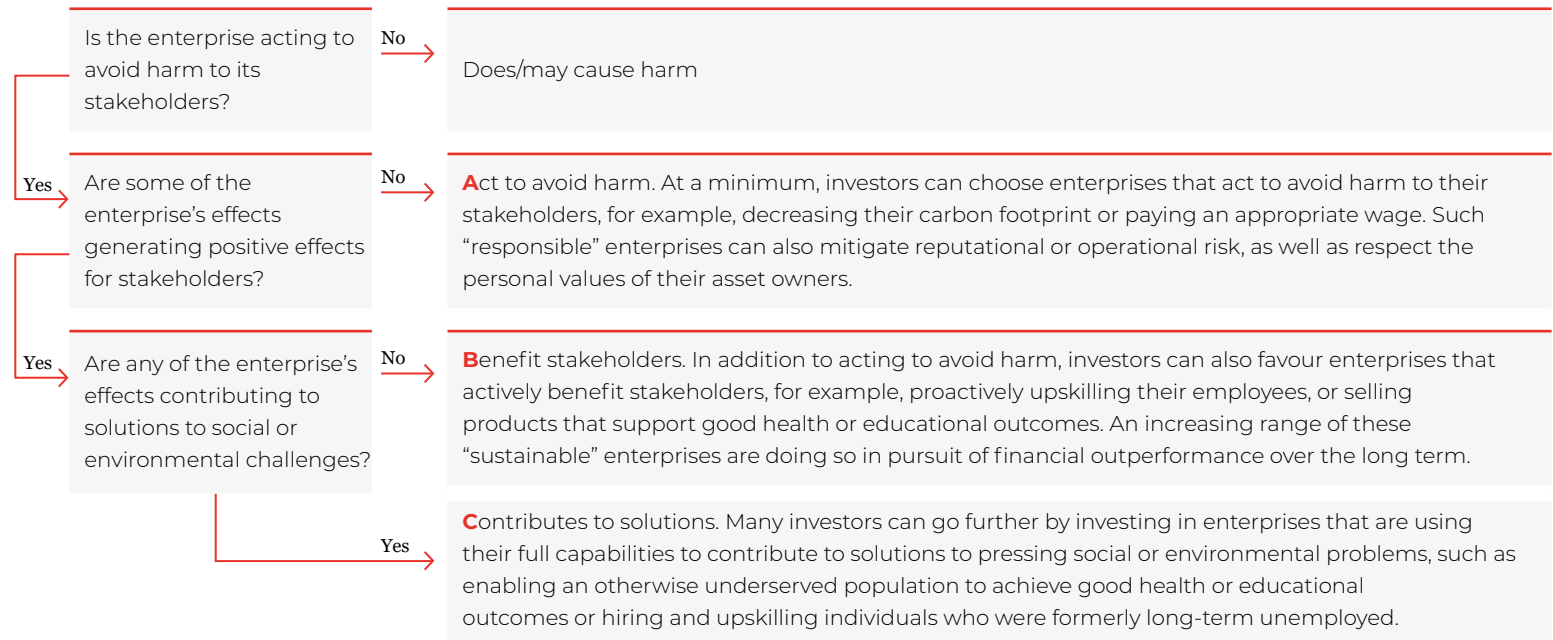
The Impact Management Project (IMP)¹ provides a forum for building global consensus on measuring, assessing and reporting impacts on people and the natural environment. It is relevant for enterprises and investors who want to manage ESG risks, as well as those who also want to contribute positively to global goals.

The IMP facilitates standard-setting organisations that, through their specific and complementary expertise, are coordinating efforts to provide comprehensive standards and guidance related to impact measurement, assessment and reporting.

Managing the impact of an investment, or portfolio of investments, means taking into account the positive and negative impacts of the underlying enterprises/assets, as well as the investor's own contribution. Investors have different intentions and constraints, which influence the impact goals they set and how they manage performance.

The case studies in this report are based on the IMP's framework. This framework classifies an investor's intentions by one of three types of impact (A, B or C) and then considers the impact of the business across five dimensions (what, who, how much, contribution and risk).

How to classify an enterprise's type of impact



Five dimensions of impact

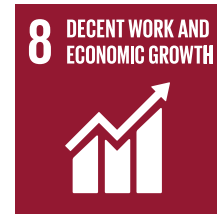
What	Who	How much	Contribution	Risk
is the nature of the portfolio company's impact and how important is the outcome to stakeholders?	benefits from the portfolio company's activities, specifically in relation to products, services and operations?	do the outcomes impact stakeholders – how many, to what degree and for how long?	that enterprises and investors make to the outcomes, relative to what would likely occur otherwise.	that impact will not emerge, will not endure or will be different than expected.

¹ impactmanagementproject.com/impact-management/how-investors-manage-impact

United Nations *Sustainable Development Goals*

In 2015 the United Nations introduced 17 Sustainable Development Goals (SDGs)² as part of the 2030 Agenda for Sustainable Development. More and more investors are using the SDGs as a framework on measuring impact, helping shift the focus of market participants and academics towards purpose and positive impact.

The SDGs call for a united effort to achieve a shared set of targets and indicators, within which businesses and investors can differentiate and communicate their roles based on their social/environmental goals and performance.



² sdgs.un.org/goals



Because science *and people matter*

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