RUBIO IMPACT VENTURES

IMPACT REPORT

2022

2022 HIGHLIGHTS

We believe the most valuable companies of our time are the ones solving society's biggest problems. Our vision is a balanced economy, where people and the planet thrive. We're on a mission to team-up with entrepreneurs that build scalable solutions for global problems and accelerate system-change.

Overall Rubio impact target

162% **11%**

at fund I level at fund II level

New investments in

4

impact companies

Rubio portfolio Fund I showed

54%

average revenue growth

Rubio portfolio Fund II showed

105%

average revenue growth

Total active portfolio

27

impact companies

Disinvested in 2022

0

responsible Exits

Gender diversity at Rubio portfolio

29% **40%**

has female founders has female leadership

The Rubio team consists of

14

true, eager and bright people

Gender diversity at team Rubio

50% **60%**

is female of the Rubio Investment Committee is female

Fund Size Fund I - Cooperative Social Impact Ventures NL

€ 41 mln

Fund Size Fund II - Rubio Impact Fund II Cooperative

€ 110 mln

(incl. € 10 million RVO Seed loan)

IMPACT CERTIFICATIONS & ESG COMMITMENTS

Certified B Corporation

Rubio is a certified B Corp

9 SFDR

Rubio Funds are classified as Article 9.2 SFDR

53/66 PHENIX IMPACT FUND ASSESSMENT Sep 2020 · Avg. 40/66

Rubio has a Phenix Fund Assessment score 53/66 (highest in NL)

UN GLOBAL COMPACT · United Nations Global Compact

Rubio is a signatory of United Nations Global Compact

PRI | Principles for Responsible Investment

Rubio is a signatory of PRI

DIVERSITY VC

Rubio is a member of DiversityVC

NAB · Driving real impact

Founding member of the Netherlands Advisory Board on Impact Investing

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"We aim for the best entrepreneurs with a growth mindset who balance true impact with strong business results that can scale."

Warner Philips, Managing Partner

"As a frontrunner impact fund we are never done exploring and learning about impact measurement as it's the heartbeat of our mission."

Willemijn Verloop, Founding Partner

IMPACT METHODOLOGY

We only invest in companies that address one of the biggest challenges of our time. Companies for whom every unit they sell, is a unit of impact. If you remove the impact, you remove the business.

RUBIO IMPACT METHODOLOGY

We developed our social impact performance model together with the European Investment Fund in 2014. Rubio's Fund I – which we opened in 2015 – was one of the first in Europe linking impact and carry, and we are proud to say that we overachieved on our impact targets (impact multiple > 1). We are still one of the few impact funds in the world linking our carried interest completely to both financial and impact returns, but are happy to see others starting to move this way. There is no golden standard in the market yet, so we want to keep learning, developing and sharing!

Problem
Which pressing societal issue do you aim to address? Which SDG(s) is this issue linking to

What
Which effects do you want to achieve? Do these effects follow (directly) from your solution?

Who
Who benefits from your solution and how important is this for the people (or planet) experiencing it?

How much
How big are the effects in size and significance? What are the 1-3 measurable KPIs? Can they be linked to SDGs?

Additionality
What would have happened regardless of your solution?

Systemic impact
Does your company aim to change the system on a macro level?

But we won't forget the building blocks of sustainable impact

Alignment
Do your company's effects scale with financial growth, i.e. are impact and business model aligned?

Operations
Are you integrating The UN Global Principles in your everyday operations?

DNA
Is your organisation always looking to learn and to become better at achieving the impact mission?

As your impact partner in crime, we support you in every way

Together we set 1-3 impact performance indicators to monitor and track your impact, linked to your business forecast and applicable SDGs

→ Our Impact Advisory Board & independent investor council will provide expertise and external validation of the impact indicators

→ Impact anchored in the governance of both our fund & your company (Articles of Association)

→ We align incentives for impact & business; carried interest Rubio team linkedin to both finance and impact results

Together we go on a mission for radical positive change

⊕ We challenge you in yearly impact sessions to bring impact management within your organisation to the next level.

⊕ We systemically evaluate the impact & business progress at both fund and company level

External Impact Advisory Board

Leendert van Driel
Chairman, Social investor, entrepreneur and business professional

Get to know me

Pier Vellinga
Professor Climate Change

Get to know me

Dr. Lisa Hehenberger
Professor, Expert advisor on social impact

Get to know me

Astrid de Reuver
Social Enterprise & Impact Finance advisor

Get to know me

100% carry linked to impact targets

The financial remuneration of team Rubio is linked to both impact and finance targets. Our first hurdle is impact (100% of our carried interest – the amount of money we take after returns to investors – is linked to impact) If during the time of our investment the combined portfolio does not reach their impact targets, we don't see our carried interest. This mechanism avoids conflicts of interest between impact and financial performance as our VC's return is tied to both: no impact = no rewards.

Team carried interest

Financial Return			
> Hurdle (6%)	To charity	10-20%	20%
< Hurdle (6%)	None		
	<60%	60-80%	>80%
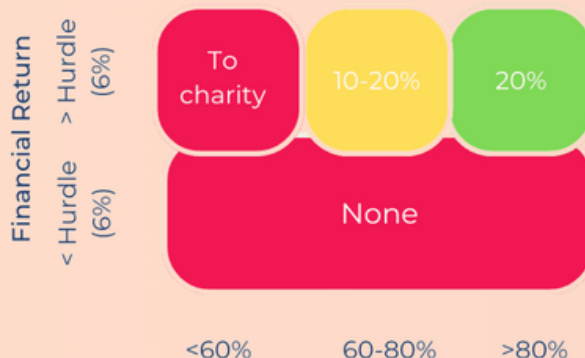
THE WEIGHTED OVERALL RUBIO IMPACT TARGET

is calculated each quarter to determine the fund's actual impact performance compared to the three-year impact target set at investment date. The Weighted Overall Rubio Impact Target is calculated as follows:

> 1-3 Impact Key Performance Indicators (KPIs) are determined per investment.

> Each KPI is assigned an impact weighting within the specific investment – as some KPIs are more relevant than others.

> For each KPI a three-year impact target is set and validated (pre deal) by our Impact Advisory Board and finally (post deal) determined and approved by the Investor Counsel.

> The Final Overall Rubio Impact Target per investment is calculated by setting off the actual impact reached against the three-year impact target multiplied by the assigned impact weight per impact KPI.

> The fund level Weighted Overall Rubio Impact Target is calculated by multiplying the Final Overall Rubio Impact Target per investment by the relative investment weight of that investment.

> We report the Weighted Overall Rubio Impact Target of our portfolio companies to our investors each quarter.
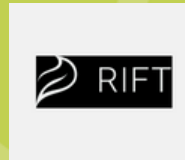
> The fund overall impact hurdle at exit is minimum 60%, but we of course aim to exceed 100%.

> The Weighted Overall Rubio Impact Target per 2022 year end is:
> Fund 1: 162%
> Fund 2: 11%

CIRCULAR SOLUTIONS

Innovative technologies and services that accelerate the transition to a circular and zero carbon future.

New 2022 investments:

Vytal

RIFT

Circular Solutions
Impact Results 2022

2 ZERO HUNGER

103

Agri tech customers impacted

6 CLEAN WATER AND SANITATION

4,300,349

Agricultural hectares serviced

7,536,812

Liters of water not polluted

7 AFFORDABLE AND CLEAN ENERGY

334,591

Tonnes of CO2 emissions avoided

Technology Readiness Level (TRL 5,6,7) achieved*

Environmental footprint in CO2 equivalent emissions/kg *

* Recent investment with no data yet and or no binary targets

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

738,000

Tonnes CO2 emissions avoided

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

16,662

Tonnes of food saved

38,820

Thousands of kilograms of renewed apparel sold

2,645,197

Single-use plastic packages avoided

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

11,502

Tonnes CO2 emissions avoided

9,396,527

Pieces of litter registrated

14

Stories of impact

73

Days for a reusable container to return into the system on average

Our Circular Solutions Investments

DeWarmte

DeWarmte invented the HeatCycle, a revolutionary system that transforms domestic wastewater into usable new energy.

Taylor

Taylor is a spin-off of the University of Technology Eindhoven, which develops and supplies microelectronics for the solar panel industry.

Litterati

Litterati aims to create systemic change to reduce the amount of waste escaping into the environment all around the globe.

Sympower

Sympower provides electricity grid balancing services, and as such, generates impact by reducing the use of fossil fuels and enabling more sustainable electricity sources such as wind and solar to deliver to the grid.

Vytal

The German start-up Vytal is on a mission to eliminate disposable packaging waste.

RIFT

RIFT's mission is to decarbonise the energy intensive industries by providing Iron Fuel Technology – a clean technology for district heating, industrial processes and electricity plants.

Black Bear Carbon

Black Bear is a circular frontrunner which has developed a patented technology and process to upcycle tires into valuable carbon black (that's the stuff that gives rubber its structure and makes everything in the world black: and that's a lot of things).

VanderSat

Van der Sat provides reliable and up-to-date information on water availability and crop health as a service, anywhere in the world.

30MHz

30MHz aims to raise the bar for sustainable and data-based agriculture worldwide by accelerating the use of data in farming practices beyond the early adopters.

We aRe SpinDye

We Are SpinDye makes the polyester dyeing process in the apparel industry environmentally friendly by driving the adoption of a sustainable way of dyeing man-made fibers, reducing water used in the dyeing step by 100%, and reducing overall water consumption for fabric production by 70%.

Afval loont

This impact driven company creates awareness about the value of waste.

GoodFuels

GoodFuels reduces CO2 emissions by selling biofuels and actively triggers new corporate clients to make a fuel switch and at the same time sources new next generation biofuels.

PEOPLE POWER

Businesses that empower people to create sustainable livelihoods, championing equal education and equal employment opportunities.

People Power
Impact Results 2022

1 NO POVERTY

5,380

Smallholders farmers & dependents impacted

324,346

Hectares (farmers) insured

4 QUALITY EDUCATION

203

Graduates who found and international job

12,340

Language learnings users

1,104

Upskilled and reskilled graduates

8 DECENT WORK AND ECONOMIC GROWTH

1,794

Completed skill profiles

3,266

Workers moved out of poverty

4,113,000

Fair trade SKUs sold

11 SUSTAINABLE CITIES AND COMMUNITIES

20,380,000

Surplus food exchanges

13 CLIMATE ACTION

635,034

Active food exchange users

17 PARTNERSHIPS FOR THE GOALS

100,497

People engaged in social impact projects

Our People Power Investments

Winc Academy

Winc Academy is on a mission to create digital job opportunities for all. With their online school and innovative teaching methods, Winc offers careers, not courses.

Lingvist

Lingvist aims to accelerate the process of human learning, including through language learning.

SkillLab

SkillLab's AI-enabled software solution links a jobseeker's past experiences (jobs, education, informal experiences) to a taxonomy of skills to create a 'skill profile'.

Microverse

Microverse tackles a huge societal problem, as many talented people are unable to explore their full potential due to the circumstances in which they are born.


Wakuli

Wakuli's mission is to enable smallholder farmers to move towards a living income and a more sustainable livelihood.

Olio

Olio's mission is to eliminate the food waste in people's homes across the world. Olio's food sharing platform empowers users to share unwanted or surplus food, helping to develop the sharing economy mind-set, and building local communities.
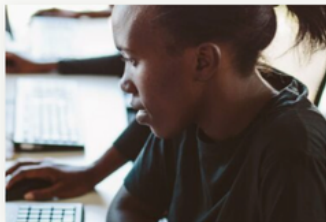
Sama

Sama, formerly known as Samasource, is a market leader in computer vision technologies, from self-driving cars to smart hardware. Their clients span top-tier tech players like Google, Facebook, Microsoft and Volkswagen.

VanderSat

Van der Sat provides reliable and up-to-date information on water availability and crop health as a service, anywhere in the world.

GoodUp

GoodUp is the European leader in employee engagement platforms for companies. GoodUp's technology powers platforms so people with great ideas get connected with people who want to benefit from their time, funds and skills to do good.

Alumni

Afval loont

This impact driven company creates awareness about the value of waste.

Alumni

Bomberbot

Bomberbot empowers primary school kids around the world with 21st-century skills.


Alumni

Marqt

Marqt operates supermarkets that offer food produced with respect for nature, animals and people. This mission is implemented in the production, distribution and consumption.

Microverse

Microverse trains students in >100 countries to work remotely as (full stack) software engineers. The school uses a peer-to-peer model (students learn from and with each other) as a much more scalable and lower-cost alternative to teachers and instructors and the training is specifically targeted at remote work. Students pay tuition fee for the 12-month full-time education through an Income Share Agreement (ISA): once a Microverse graduate finds a job with monthly salary of more than $1,000, 15% of their salary shall be used for repayment of their Microverse tuition.
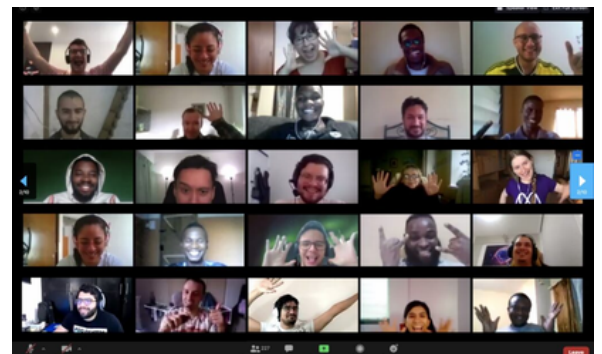
Theory of Change

Talent is evenly distributed, while opportunity is not. Millions of talented people live in emerging economies where they cannot live up their full potential because of lack of access to jobs and education.

Problem

Talent is evenly distributed, while opportunity is not. Millions of talented people live in emerging economies where they cannot live up their full potential because of lack of access to jobs and education.

Output & Outcome

Microverse educates people from all around the world to become (remote) software developers in a 12-month full time program. The school uses a peer-to-peer model (students learning from and with each other) and the training is specifically targeted at remote work.

Finding a job as a remote software engineer at a significantly higher salary than their previous job: 87% of Microverse graduates find a job within 3 months from completing the program – and 97% after 6 months – at a median salary increase of 2.4x versus their previous jobs. Around 65 – 70% of graduates find a job with a salary of more than $1,000 per month (way above living wage), which income leads to improved opportunity and quality of life for the Microverse graduate and their families. Job satisfaction is high with 63% of graduates rating their job an 8 out of 10 or higher and 92% of graduates stay with their first role for at least six months.

It should be noted that Microverse graduates continue to increase their salaries after their first role, with the second role post graduating at on average a 12% higher salary than the first, and the third role at on average a 42% higher salary than the second. This is indicative of career development post their first role.

Benificiaries

90% of student come from a long tail of emerging economies including (in descending order) Nigeria, Mexico, Colombia, Brazil, Kenya and India. In these countries, there are less opportunities for a world-class software development education which allows students to work as remote software developers. The median student age is 28 with 90% of students being between 20 and 30 years old. Over 73% of students have no previous software development experience and 36% had no prior higer education. The Income Sharing Agreement model offers students the opportunity for a high quality education without the up-front capital need.

Additionality

Microverse is unique in their peer-to-peer learning method, which keeps costs low and prepares students well for their role as remote software engineers, and their focus on emerging economies. Without Microverse, there would be less opportunities for talented individuals to receive a high quality software development education at (relatively) low cost and without an up-front capital need.

Systemic potential

If Microverse achieves widespread success, this will lead to increased recognition of the huge and untapped potential of talent in emerging economies.

Rubio Impact Target

The cumulative number of Microverse graduates who found a job with an income above threshold ($1,000 per month) within 6 months after graduation.

Risks

→ We see no major impact risks. If Microverse would start using its model for more privileged students the depth of impact would diminish.

→ An increase in the opportunities for talented people from emerging economies may lead to more competition in the international labor market for (remote) software developers. This is unlikely to be an important issue given the short- and medium-term global shortage of software developers.

SDG Alignment

We relate Microverse's impact to SDG 4: Quality Education. By making a high quality software development education available for talented individuals from emerging economies, the company contributes to increasing the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship (SDG 4.4).

4 QUALITY EDUCATION

Ilonka Jankovich
Venture Partner

"Empowering people is at the heart of business for every entrepreneur I talk to. The impact we make together is both systematic and meaningful to individuals' lives."

HEALTHY SYSTEMS

Solutions that create positive change in Food, Agriculture and Human Health.

New 2022 investments:

SOLASTA Bio
Nature Inspired

openup
Mental health for all

Healthy Systems
Impact Results 2022

2 ZERO HUNGER

4 -> 5

Technology Readiness Level (TRL 5,6,7)

4 -> 6

Technology Readiness Level (TRL 5,6,7)

Environmental footprint in CO2 equivalent emissions/kg *

* Recent investment with no data yet and or no binary targets

3 GOOD HEALTH AND WELL-BEING

4,851

People supplied with medication

14,236

Reductions in surgical complications

1,031,345

Number of skin assessments

39,318

Informed health decisions

10,337

Unique mental health user sessions

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

% cost reduction in cultured meat*

* Recent investment with no data yet and or no binary targets

15 LIFE ON LAND

Regulatory approval of the product*

Tonnes of meat analogues sold*

Filed a dossier for regulaFiled a dossier for regulatory approval (US, EU, LatAm)*

Proven efficacy and non-toxicity in commercial trial*

#kg of cultured meat produced*

* Recent investment with no data yet and or no binary targets

Our Healthy Systems Investments

Solasta bio

Solasta Bio is a Scotland-based bioinsecticides with a unique proposition: insect control products that are nature-inspired. In other words, it kills the insect pest and does not affect bees, other insects, or animals.

Incision

Incision is on a mission to empower medical professionals and reduce surgical complications worldwide through a surgical knowledge platform and standardization tool.

SkinVision

SkinVision is on a mission to save 250,000 lives in the next decade. The company has developed artificial intelligence that enables a smartphone to make a highly accurate and specific analysis of a potential melanoma.

The Social Medwork

The mission of TheSocialMedwork is to create better health and wellbeing for everyone — regardless of where they live. They provide global access to newly approved medicines which are otherwise not available to patients.

OpenUp

OpenUp enables employers to give their employees direct, fast and easy access to certified psychologists and online tools to improve mental wellbeing through a fully digital web/app platform.

NOVAMEAT

NOVAMEAT developed a patented technology platform to texturize plant-based proteins into 'whole cut' products, such as steak, pork chops and chicken breasts.
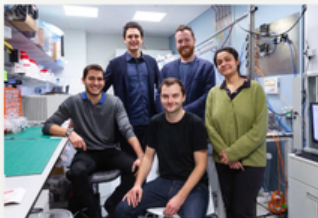
Arborea

Arborea's technology uses sunlight to mimic the functioning mechanisms of a real leaf to self-maintain the ideal growth conditions homogeneously at different scales, using the lowest energy inputs.

Marqt

Marqt operates supermarkets that offer food produced with respect for nature, animals and people. This mission is implemented in the production, distribution and consumption.

Machtelt Groothuis
Founding Partner

"Big challenges are lying ahead of us in Food, Agriculture and Human Health. This calls for a transition using novel technologies but above all it calls for innovative entrepreneurs."

Arborea

Arborea aims to industrialize photosynthesis through it's BioSolar Leaf (BSF) and make it a global tool to produce sustainable food ingredients derived from photosynthetic microorganisms (microalgae). Given their diverse nutritional properties a variety of ingredients can be derived from micro-algae ranging from high-value additives, to lower-value bulk proteins. Arborea's technology can produce these ingredients at a lower cost than current photobioreactor technologies and much lower environmental footprint than their animal or plant-based alternatives.

Arborea will using Generally Regarded As Safe (GRAS) strains of microalgae to create existing, high-value products while scaling the technology from a 100m2 pilot facility to 20ha plants in the next 4 years. Once proven at 20ha scale focus will switch to production of lower-value, higher-impact products such as specialty proteins and omega3's.

Theory of Change

Arborea is industrialising photosynthesis to expand the world's food supply and to accelerate the transition to a sustainable food system. Arborea's technology can produce a large variety of ingredients and proteins from micro-algae at low cost with a low environmental footprint. Their production technology is carbon neutral, land-use is close to zero and at scale they can supply large amounts of natural, microalgae-based ingredients (ie lipids, fatty acids, proteins) at a much lower price.

Problem

Our current agriculture and food system exceed planetary boundaries and we will need 50% more food by 2050. Animal-based ingredients require more land, water and have higher CO_2-emissions than plant-based ingredients. Other sources for producing food-ingredients are emerging as alternative to agriculture, ie fermentation and cultivation, though these are limited in the type of ingredients that can be produced and still require feedstock (e.g. sugar beets) and thus land. Photosynthetic microorganisms have the potential to provide a solution with minimal footprint, however current technologies are inefficient and expensive[4] limiting them to the production of high-value ingredients.

Output & Outcome

The output of Arborea's system is a micro-algae derived biomass from which a large variety of food ingredients can be extracted. Arborea's technology solves many of the issues with current photobioreactors, and its production technology does not require significant energy input, as it mainly runs on sunlight and atmospheric CO2. It requires less resources to produce more eventually leading to a low-cost plant-based alternative source for food ingredients.

The desired outcome is that food ingredients such as specialty proteins and eventually bulk proteins previously derived from animals or crops will be replaced by those cultivated via Arborea's photosynthetic bioprocessing with carbon neutral production and near zero land-use[1]. This would radically reduce the environmental impact of these food ingredients: see Appendix for comparison for bulk protein.

Benificiaries

The beneficiary is society at large and the environment, through a significant contribution in emissions that cause climate change and thus a reduction in the harmful effects of climate change, as well as a reduction in land use with significant positive effects for biodiversity.

Additionality

As Arborea's technology is based on three patents, its solution is unique. Other innovators typically do not focus on photobioreactor design but more on innovating within different parts of the value chain (which can add to, rather than substitute Arborea's innovation).

Systemic potential

If Arborea can produce high volumes of food ingredients at a price that is competitive with animal sources and other plant-based sources , it will a) enable more consumers to switch to non-animal ingredients and b) change the cultivation and fermentation industry by adding a new, more sustainable pillar of production. To give a concrete example, Arborea's product could replace fish-derived omega 3 with a micro-algae derived omega 3.

Rubio Impact Target

For Arborea we track the following impact target: Environmental footprint in CO2 equivalent emissions/kg

Risks

→ Main risk is not moving down the curve of lower-value, higher-impact ingredients and mainly producing high-value ingredients
→ Cooling of the biomass is expected to be done through cooling towers. In case this is not sufficient, chillers will need to be used. This increased costs, energy usage and CO2 emission significantly
→ Byproduct not being sold would result in 70-80% waste from the biomass.

SDG Alignment

We relate Arborea's impact to SDG 15: Life on Land. Particularly target 15.5: Protect biodiversity and natural habits (through reduced land use for intense agriculture)

15 LIFE ON LAND

STAY TUNED!

A diverse, great team

We love to work with a true, eager and bright team! Our team is a mix of experienced entrepreneurs, investors, talented young analysts and others who share our vision for a balanced economy, where people and the planet thrive. The composition of our team reflects diversity, with 50% female and 50% male members hailing from various backgrounds and nationalities, including Turkish, Hungarian, American, and Dutch. Our gender diversity is equally spread across all functions in the organization, resulting in a 50%/50% Managing Board and a 60%/40% female/male Investment Committee. At Rubio we have a 0% gender pay gap.

Working together to accelerate the impact revolution

We see this report as a constant work in progress. Going forward, we intend to add even more learnings to our Impact Report, as we believe we need to continue to gather strong data to prove our progress and strengthen the movement of impact finance.

Next year we have been working 10 years as impact investors, so stay tuned for our 10 year learning report. There is still much work to be done to achieve an inclusive and circular economy but in the meantime we are super proud of what we've achieved so far in co-developing a future for venture capital where impact is no longer just "nice to have", but a "must have".