

# The Time is Now: GD1 2022 Impact Report



Do good things  
with good people.



# Our Commitment

We have a mantra – “Do good things with good people”. This mantra guides our actions everyday. Digging more deeply, it means that we strive to embrace circularity; we’re working to raise the standards of company and ecosystem practice; and activating environmental, social and governance (ESG) best practices we can be proud of.

While we are classified as a generalist investor and not an impact investor, GD1 believes strongly that the returns we deliver to our Limited Partners and broader community must be both financial and create a positive intergenerational impact.

We’re on a journey, together with our portfolio companies, to bring these powerful aims to life. In our first Impact Report, you’ll receive a detailed glimpse into the actions we are taking, including our commitment to “walk the talk” when it comes to ESG and how we provide portfolio companies with practical, actionable advice to suit the stage they are at in their impact and ESG journey. We’ve also included a snapshot of how our portfolio companies support the United Nations Sustainable Development goals, statistics disclosing how we are doing in supporting female led companies; and a mini-showcase of those GD1 portfolio companies making a positive impact.

Perhaps most importantly, we’re just getting started. Next year, and the year after that, we’ll work to ensure we achieve consistent and continuous improvement. Thank you for coming along on this journey with us.



**GD1 Team**  
AUCKLAND, NEW ZEALAND

# Our Approach

In this section you'll find an overview of GD1's Impact and ESG Policy. As an investor of companies that will shape the future, GD1 follows responsible investment principles. Our Responsible Investment Policy outlines how we incorporate ESG factors in investment decisions and firm activities.

## Our four key focus areas are:

- Evaluating Sustainable Development Goals alignment
- Exclusionary screening criteria when considering investments
- Term sheet clauses on both ESG and diversity
- PRI Responsible Investment Signatory and RIAA Member



## Policy Snapshot:

- GD1 is a signatory to the Principles for Responsible Investments (PRI) and we integrate ESG factors within our investment decisions and business procedures, including the principles that we follow as a firm to ensure we are making responsible investments.

## The six PRI principles that Fund 3 uses as a guide include:

PRI PRINCIPLE	ACTIONS
1. We will incorporate ESG issues into investment analysis and decision making processes.	Identify material ESG factors in pre-investment processes that might affect returns. Ensure ESG is deeply rooted in GD1's investment approach.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.	Establish processes to understand and manage material ESG risks and opportunities in partnership with portfolio companies' management.
3. We will seek appropriate disclosure on ESG issues from the entities in which we invest.	Implement monitoring processes to assess portfolio companies' management of ESG factors.

PRI PRINCIPLE	ACTIONS
4. We will promote acceptance and implementation of the Principles within the investment industry.	Be an advocate for ESG in VC, especially in NZ. Work with our portfolio companies to build ESG into their operations.
5. We will work together to enhance our effectiveness in implementing the Principles.	Collaborate with key stakeholders (peers, companies and LPs) to build consensus around responsible investment practices in New Zealand venture capital, leveraging PRI resources.
6. We will each report on our activities and progress towards implementing the Principles.	Keep Limited Partners of the Fund up to date with ESG progress/activities.
<ul style="list-style-type: none"> <li>GD1 integrates responsible investing and accounts for ESG factors across the various aspects of its investment decisions. This includes screening the companies we invest in, conducting thorough due diligence and approvals; and ongoing engagement and monitoring of our portfolio companies.</li> </ul>	

## Term Sheet Inclusion Snapshot

### DIVERSITY AND INCLUSION

GD1 is an inclusive fund that comprises individuals from various diverse backgrounds. Similarly, GD1 endeavours to invest in companies that also consciously cultivate a diverse team – inclusive across gender, ethnicity, age, sexual orientation, disabilities and national origins. We do not impose hiring criteria on our companies, but we will assess the diversity and inclusion strength of a team upon investment (new and/or follow-on). We therefore ask that each portfolio company include an 'inclusion rule' in its HR policies so that at least one member of a population currently underrepresented within the company shall be formally interviewed for any open executive position.

### ESG

GD1 is steadfastly committed to espousing high ESG standards in our own firm and portfolio companies. Any material ESG risks should be reported to GD1 as and when they arise. We may ask a company to provide ESG reporting to ensure continued adherence and compliance to its initial ESG commitment.

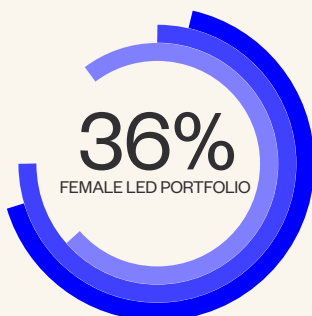
# Our Portfolio

This year, we invested \$55m into the New Zealand technology ecosystem, bringing the number of our portfolio companies to over 30. These companies have raised over \$150m in total in 2022, filed over 80 patents, and employed over 1,060 people including in 30 global offices. 75% of our portfolio company's revenue is generated overseas.

## Supporting Female Founders, Co-Founders, and CEOs

At GD1, we like to talk about representation, not just diversity. To us, representation is a critical element that creates the diversity of thought and experiences required to form a winning team. It takes a variety of backgrounds, upbringings, socioeconomic situations, work experience, ethnicity and gender to form the most cohesive view and solve critical issues faced by today's startup and business owners.

We are acutely aware of the facts when it comes to representation, diversity, equity and inclusion in venture capital. Women-led ventures received just 18% of angel investment in Aotearoa New Zealand<sup>1</sup>.



While we have a long way to go, we are proud of the fact that 36% of the GD1 Fund 3 portfolio is led by female Founders, Co-Founders or CEOs. Moving into the new year, we'll begin monitoring additional factors that identify underrepresented and underserved populations.

<sup>1</sup> <https://cdn.auckland.ac.nz/assets/auckland/business/our-research/insights-women-entrepreneurs.pdf>

## Meet some of our female Founders, Co-Founders and CEOs



**Jenny Kruger**

CEO AND CO-FOUNDER,  
JUNOFEM



**Nicole Tiefensee**

COO AND CO-FOUNDER  
RUNN



**Lucy Turner**

COO AND CO-FOUNDER  
VXT



**Janine Grainger**

CEO AND CO-FOUNDER  
EASYCRYPTO



**Angie Fan**

CO-FOUNDER  
EVOUCH

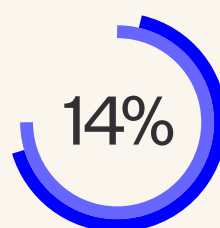


## Supporting the United Nations Sustainable Development Goals

As part of our efforts to understand how our portfolio contributes to our ESG policy, we track how many of our portfolio companies directly align with the United Nations Sustainable Development Goals (UN SDGs) either through company operations, product, or the outcomes they deliver for customers.

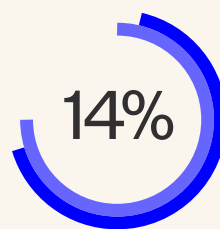


The top 4 Sustainable Development Goals supported by our portfolio are:



### SDG 3 GOOD HEALTH & WELL-BEING

14% of GD1 portfolio companies support this goal.



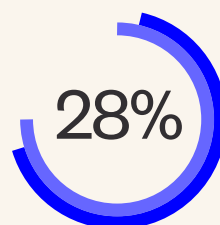
### SDG 7 AFFORDABLE & CLEAN ENERGY

14% of GD1 portfolio companies support this goal.



### SDG 9 INDUSTRY, INNOVATION & INFRASTRUCTURE

50% of GD1 portfolio companies support this goal.



### SDG 13 CLIMATE ACTION

28% of GD1 portfolio companies support this goal.

Minute by minute; hour by hour; and day by day – there are ongoing opportunities for venture capital firms to make the world a better place.



# Our Internal Activities

We firmly believe that we need to walk the talk if we want to fully embrace and lead on ESG. To this end, we're on a journey to better understand our firm-wide footprint through benchmarking and measurement, then through reduction.

This year, we've undergone two significant endeavors in this area, measuring and committing to reduce our carbon footprint through Toitū certification and better understanding how our firm benefits people, planet and communities through undergoing B Corporation certification via B Lab.

## Toitū Carbon Reduce Certification

Third party certification is a key part of demonstrating that we're serious about our ESG commitments. This year, GD1 announced that we are officially 'Toitū carbonreduce' certified. Toitū awards this certification to companies that are measuring, reducing and offsetting their carbon footprint. The certification signals that GD1 is on a journey to understand the impact we have on the climate; and that we are committed to minimising that impact.

Initially, we're measuring and focusing on those things within our direct control – like office space, travel, employee commuting and habits. The ultimate goal is to better understand the impact

of our entire portfolio and help those within our portfolio understand and reduce their impact too.

## About the certification

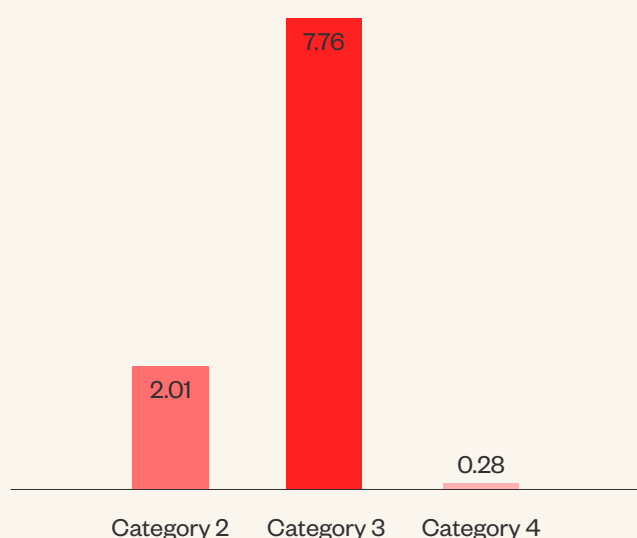
To achieve the certification, GD1 measured its full greenhouse gas (GHG) emissions (also known as a carbon footprint) in order to understand what its impact is, including business travel, fuel and electricity, paper and waste. The inventory was independently verified to ensure accuracy and completeness. We then developed plans to manage and reduce our emissions continually.



## Annual inventory

CATEGORY (ISO 14064-1:2018)	SCOPE (GHG PROTOCOL)	GHG EMISSIONS (tCO <sub>2</sub> e) CURRENT YEAR 2020/21
Category 1: Direct emissions	Scope 1	0.00
Category 2: Indirect emissions from imported energy	Scope 2	2.01
Category 3: Indirect emissions from transportation	Scope 3	7.76
Category 4: Indirect emissions from products used by organisation	Scope 3	0.28
Category 5: Indirect emissions associated with the use of products from the organisation	Scope 3	0.00
Category 6: Indirect emissions from other sources	Scope 3	0.00
<b>Total gross emissions</b>		<b>10.04</b>
Category 1 direct removals		0.00
Certified renewable electricity certificates		0.00
<b>Total net emissions</b>		<b>10.04</b>

## Emissions (tCO<sub>2</sub>e) by category



## CATEGORY 2

Indirect emissions from imported energy

## CATEGORY 3

Indirect emissions from transportation

## CATEGORY 4

Indirect emissions from products used by organisation

## B Corporation Certification



We are in the process of undergoing B Corporation Certification through B Lab. B Corp Certification is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors ranging from employee benefits and charitable giving to supply chain practices and input materials. In order to achieve certification, a company must:

- Demonstrate high social and environmental performance by achieving a B Impact Assessment score of 80 or above and passing our risk review. Multinational corporations must also meet baseline requirement standards.
- Make a commitment to be accountable to all stakeholders, not just shareholders, and achieve benefit corporation status if available in their jurisdiction.
- Exhibit transparency by allowing information about their performance measured against B Lab's standards to be publicly available on their B Corp profile on B Lab's website.

# Portfolio Impact Stories



## Foundry Lab

Using clean casting to produce metal parts in hours, not weeks.

### WHAT THEY DO

Foundry Lab has launched category-defining Digital Metal Casting technology that leapfrogs 3D metal printing to rapidly produce metal parts with the same physical properties as traditional cast metal. Slashing typical 1-6 week lead times for metal parts to just hours, the technology is set to completely revolutionise how the world's largest manufacturers prototype production identical parts needed for innovation cycles and how quickly they can ramp up production.

Today, car companies typically spend \$200k per casting or more per prototype, involving huge, expensive metal moulds. What's more, these usually take anything from three months to a year to cast. With Foundry Lab, none of this is necessary. Digital Metal Casting enables these companies to go from 'design' to same-day production using safe, compact microwave technology.

Combining the speed and freedom of 3D printing with the economy and strength of metal casting, Digital Metal Casting produces 'production identical' metal parts that can be crash tested for functionality; because they perform in exactly the same way.

### WHY IT MATTERS

Digital Metal Casting technology will transform the world's current manufacturing processes by enabling companies to produce metal parts on-demand at a fraction of the cost, time and climate impact of a traditional foundry.



[Learn more here](#) →



## Dawn Aerospace

Building scalable, sustainable space transportation solutions for humanity

### WHAT THEY DO

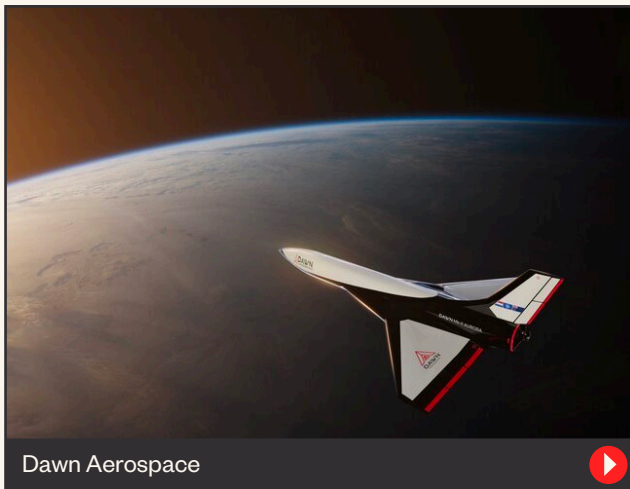
Dawn Aerospace plans to reshape the future of space transportation and infrastructure to be a lot like what ideal transportation solutions look like on earth - easily available, cost-effective and sustainable.

With full-blown space transportation still requiring intensive product development and several years away, the company's near-term business goal is to scale its in-space propulsion products so that it can reinvest the profit in further R&D of its Mk-II and Mk-III planes - which utilise rocket engines - to become a fully-fledged, highly reusable orbital flight service.

Building scalable, sustainable space transportation solutions for commercial satellite operators is a difficult problem to solve. Waste products from this type of activity landing in the world's oceans isn't such a serious problem (yet) because

only a hundred or so rockets are launched annually. It will become a much bigger problem as space activity scales, which it is busy doing.

In addition, the cost of high-quality systems can be prohibitive. For small satellites, Dawn Aerospace provides high-performance, reliable, cost effective systems for teams with much smaller budgets. These provide the same capabilities that traditionally only very large or institutional entities can afford for their \$1B satellites.



#### WHY IT MATTERS

Dawn Aerospace is on track to become the most popular green chemical satellite propulsion system in space. The startup's propulsion units have launched on SpaceX, Soyuz and Vega and their propulsion products offer higher performance than other alternatives. They are an agile company, able to supply customers quickly with lead times most others can't comprehend let alone aspire to, setting the scene for the future of space transportation.

[Learn more here](#) →

## Osho

Putting households in control of their energy consumption

#### WHAT THEY DO

Typically, older and even new-build homes have 'dumb' light and electrical switches with no smarts behind them. What's more, even if you have invested in a 'connected' home, the experience usually relies on a smart meter that connects to a retailer which then needs to talk to a solar system (if you have one) that requires strict safety protocols to be met.

Osho is developing a next generation switchboard with advanced monitoring and controls for domestic energy management. Powerful data analytics, real-time control mechanisms and the ability to instantly scale-up storage



technologies will deliver households all over the world a utility experience like no other.

What Osho's panel will do is deliver complete control of a home's electronic, safety and analytical data in one package. The switchboard (smart panel) will connect to an app which will allow users to easily understand how, where and when they use energy. Remote system diagnostics and automated maintenance scheduling will come standard, providing homeowners peace of mind around the lifeblood of their home on top of enhanced control.

#### WHY IT MATTERS

Because of the ability to control wastage (think appliances left on standby; or lights left on when no-one's home), Osho will empower households to make a significant positive climate contribution through reduced energy consumption.



[Learn more here](#) →



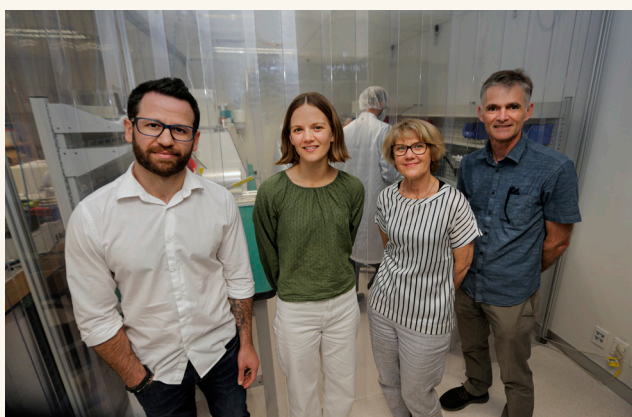


## JUNOFEM

Empowering women globally to improve their pelvic floor health

### WHAT THEY DO

One in three women globally suffer from poor pelvic floor health. JUNOFEM is a proud outcome of the world-renowned Auckland Bioengineering Institute, University of Auckland, New Zealand. The company's tech-enabled medical device, femfit®, is designed to help women improve their pelvic floor health to alleviate symptoms such as urinary incontinence - a debilitating issue that negatively impacts on the quality of life of so many. The company's tech-enabled femfit® product is firmly grounded in science, has been developed by a skilled team of bioengineers and clinicians and is guided by clinical need. The device has won the support of scores of healthcare professionals globally and recently achieved medical device quality certification across both Australia and New Zealand



Embedded with eight hi-tech sensors, femfit® measures internal pressures along the length of the vagina and sends real-time feedback to a mobile app. The feedback from these sensors helps the user, and the healthcare provider to understand whether they're contracting the right muscles when doing pelvic floor muscle training, or when doing other types of exercises.

### WHY IT MATTERS

Femfit® is unmatched in its ability to distinguish pelvic floor and abdominal pressure data, enabling women to use femfit® during functional activities to monitor both pelvic floor and abdominal pressure changes. This is not possible with most other devices. The device takes the guesswork out of pelvic floor muscle activation, and makes the invisible - visible to guide both healthcare provider and end user on the most effective training programme.

[Learn more here](#) →

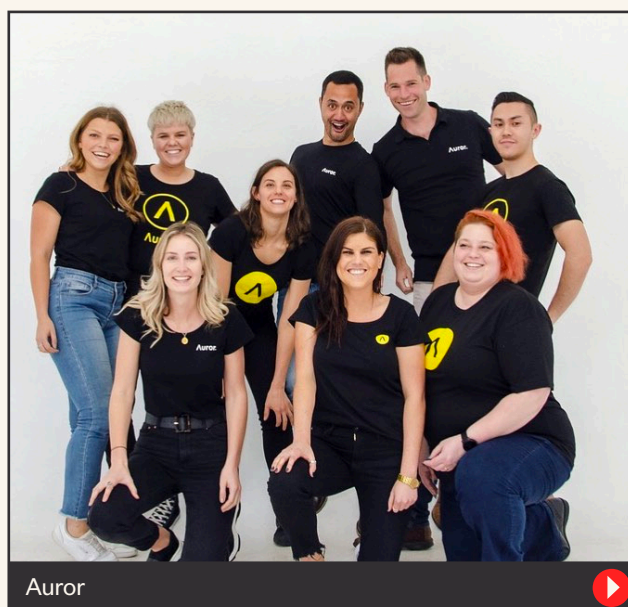


## Auror

Reducing retail crime and making the world a safer place

### WHAT THEY DO

Auror believes that in the fight for a safer society, the best way to address crime is to prevent it. Their retail crime intelligence platform helps champion a safer society through cloud-based software that enables police and retail businesses to collaborate to fight crime. It transforms the intel reported by frontline teams using user-friendly, web-based software (including an app) into a full picture of



Auror

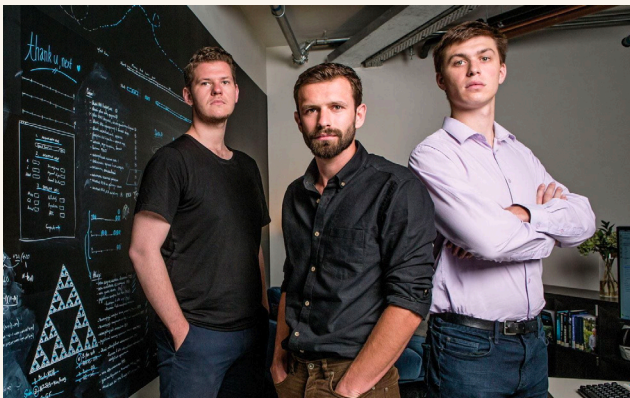


retail crime that provides store staff with real-time alerts, actionable intelligence and business reporting. This helps retailers and the police with both crime detection and prevention, including helping to identify repeat offenders; and the ability to place a store on 'high alert' due to recent theft patterns.

#### WHY IT MATTERS

Auror has already helped prevent crime, reduce loss and make working in stores safer across 30,000 retail stores globally, and growing. It is trusted by stores across New Zealand, Australia, US and the UK.

[Learn more here](#) →



## Zenno

Enabling spacecrafts to go fuel-free

#### WHAT THEY DO

Based on the patented use of super magnets, Zenno's satellite control and propulsion system is set to revolutionise the way spacecrafts navigate space and the impact they have on our planet. The tech enables completely fuel-free satellite positioning; as well as fully autonomous, precision interaction between satellites (critical for debris removal, servicing and construction in orbit), leading to world-first electromagnetic shielding of spacecrafts and eventually the humans inside them from radiation damage.



Zenno

#### WHY IT MATTERS

Their groundbreaking innovation is set to enable an entire industry to shift from the short-term, profit driven exploration of space; to long-term, sustainable exploration. It's set to open up doors for both hardware and humans to challenge the boundaries of what's been achieved in previous decades.

[Learn more here](#) →



UBCO

## UBCO

Electric bike maker focused on consumers and fleets

#### WHAT THEY DO

The home page of UBCO's site reads "Born in New Zealand. Built tough." That strapline is the perfect communication of its tenacity and grit - a company who dared to dream more than others think is practical - and that dream has paid dividends in global presence and huge payoffs.

With an original vision to electrify the typical farm bike by making it quieter, cleaner and safer, UBCO is building a new category of product - a 2-wheel-drive, electric, lightweight utility vehicle. UBCO built a fuel free bike that is designed for exploration and built for adventure, and now is available on subscription model.

In 2016, a pre-production version of 'the toughest utility vehicle on the planet' at Fieldays was a home-run, securing thousands of pre-orders; and fundraising to underwrite the first production run. While most of the initial fleet went into 365 days a year, off-road, high-duty users in agriculture, tourism, and conservation; traction across recreation and even sporting verticals followed when the company released a road-registerable model.

#### WHY IT MATTERS

Today, UBCO has dedicated distribution partners in over 10 countries, and its unique design, functionality, safety and the sustainability of its innovative products has helped fuel exponential growth, with on-road and off-road 2X2 adventure bikes now part of the UBCO fleet.

[Learn more here](#) →

# Our plans for the future

It doesn't stop here. We believe that impact is about ongoing choices. Minute by minute; hour by hour; and day by day - there are ongoing opportunities for venture capital firms to make the world a better place. And, for ESG to be rightsized for VC.

We're proud of what GD1 and its portfolio companies have achieved in 2022; and we're excited about continuing to improve on this baseline in 2023.

Our challenge to other VCs and their portfolio companies is simple: think about the positive impact you can have on the world; and then do the things that make this happen.

We look forward to sharing our collective journey.



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