



# UNEP FI Sustainable Blue Economy Finance Initiative

## Annual Report 2023

As a signatory of the Sustainable Blue Economy Finance (SBE) Principles, Katapult Ocean is required to report annually on our implementation of the SBE Principles. The reporting framework by UNEP FI allows the signatories to reference or link to the required information already in the public domain. The report for 2023 follows this format, summarizing progress in this document and citing other public policies and reports where more information can be found.

### Reporting Period

01 January 2023 and 31 December 2023 unless otherwise stated.

### Organisation Summary

Katapult Ocean invests in ocean impact ventures that solve climate and biodiversity challenges, provide food and clean water for people globally.

Katapult Ocean invests and supports early-stage ocean impact startups that have or are on the track to have a positive impact on the ocean. We work closely with all the companies we invest in through our 12-week accelerator programme and continuous support our portfolio companies on their impact framework and strategy and continuous business development and by the follow-on investment capacity through our Deep Blue fund. We're assisting our portfolio companies on their fundraising journey as we believe that the more our impact-intentional founders can grow their companies, the more impact we will see in the world.

## Actions taken in 2023

In 2023 the following considerations frame our commitment to continuous improvement in adopting and implementing the SBE Finance Initiative.

We screen out companies in industries that are not considered to be sustainable ref. UNEP Fi's [recommended exclusion list](#) and Katapult Ocean's exclusion list. We invest in companies that are scalable and with the potential of having a big positive impact on the climate and ocean. Initial benchmarking towards the SDG's and our defined impact framework. We look at:

- The company's purpose.
- Mapping of SDG's.
- Potential risks, both outside-in risk and inside-out risk of having a negative impact or not achieving the intended impact.
- The company's five dimensions of impact, IMP metrics.
- Intentionality: Is impact integral to the companies' organisation?

## New Investments

In 2023 we made 12 new early-stage investment (companies that also participate in our accelerator program), and 3 follow-on investments in companies with solutions targeting mainly SDG 14, but some of the investments also contributes to SDG 13, SGD 6 and SDG 2.

## Making a stand against Deep Sea mining

In April 2023 during One Ocean Week in Bergen, Katapult Ocean signed the [WWF call for a moratorium](#) against Deep seabed mining and have committed to not invest in deep seabed mining companies or solutions.

## Contributing with our expertise in other Ocean-related organizations

Katapult Ocean is on the Steering Committee of the [1000 Ocean Startups](#) coalition where we also continued our efforts to the development of the Ocean Impact Navigator impact Framework.

We collaborated with [Farvatn](#) to bring the ocean community of investors, startups, scientists and industry to Bergen during One Ocean Week and organized the [Sustainable Oceans Solution Conference](#) with approximately 200 participants from all over the world.

We collaborated with [Forum Oceano](#), [Hub Azul Portugal](#) and [Dealroom](#) on this guide on [the Blue Economy](#).

## Extended risk and impact assessment of potential investments

Before the investment decision is taken, potential portfolio companies are assessed against outside-in risk, meaning ESG risks that might have a potential negative impact on the company's financial performance. The companies are also assessed on their inside-out ESG risk, meaning whether they have or may have potential for any substantial negative impacts on environmental or social conditions, and for the scalability of their positive impact.

## Expanding focus on the ESG and SFDR in the accelerator program.

Addressing climate crises and ocean opportunities are Katapult Ocean's core focus areas. However, though investing within the ocean domains our investment mandate is wide and across a range of domains and sectors. The companies we invest in are early-stage, hence we need to support them on their strategy on how they can reduce their negative footprint and maximize positive impact.

## New Impact- and ESG reporting platform

The Impact Management Plan is the centerpiece of our Impact sprint in the accelerator program. In 2023 we moved the previously made step-by-step tool made in Excel to a digital platform. We'll continue to fine-tune the tool so that the portfolio companies have a good strategic plan for their impact work when graduating from the accelerator program.

In Late 2023 we started to implement [Worldfavor](#) as the impact reporting platform for our portfolio companies. With this platform, our portfolio companies have one platform to report their impact and ESG metrics, including SFDR Principle Adverse Impacts. It is easier for the startups to report and share their impact and ESG metrics both with us and other investors.

## Short- and long-term plans

**Commitment to continuously improving reporting:** we have set a target to have 80% of our portfolio companies reporting on their most relevant impact metric in addition to ESG metrics by the end of 2024.

**Setting good impact goals;** Until now we've focused on impact measurement and ensuring that the startups know what to measure and when. The next step is to set goals with the startups as we believe that they will achieve more when they have set targets for outputs and outcomes indicating that they're on their way to achieving the impact they are targeting.

## Alignment with global agreements

We invest for measurable market and impact returns in ocean domains can be divided into four categories:

Food and Water	i.e. Seaweed, algae, alternative proteins, clean water
Clean Energy	Wind, i.e. wave, solar, and tidal energy production, and their enablement technologies, such as sustainable anchoring and mooring, energy storage, power system integration, data and asset monitoring, and offshore/subsea connectivity.
Circular Resources	i.e. Ocean regeneration and biodiversity, waste management, new organic materials.
Transportation	i.e. Electric, hydrogen, and methanol fuels, with ammonia as a key target going forward.

### The Sustainable Development Goals (SDGs)

We invest in top performing teams that have the future solutions aligned with the SDGs Life below water (SDG 14), Climate change (SDG 13), Food security (SDG 2) and Water (SGD 6). More precisely, we invest in Ocean impact companies that solve climate and biodiversity challenges, and provide food and clean water for people globally, with a no animal harm approach.

**The Paris Climate Agreement** was adopted in December 2015. Its main objective is to limit the global average temperature increase to 1.5 degrees Celsius.

In Katapult Ocean we invest in clean Ocean energy solutions and in our portfolio, we have ten companies, of which four companies invested in last year, contributing to this goal.

**The Kunming-Montreal Global Biodiversity Framework**, also known as the Post-2020 Global Biodiversity Framework, is a global agreement aimed at halting the loss of biodiversity and promoting its sustainable use. We invest in solutions within ocean regeneration and biodiversity and we have three companies, of which two companies invested in last year, contributing to this goal.

### Governance overview

Katapult Ocean CEO and Partner Jonas Skattum Svegaarden is responsible for leading the integration of the Sustainable Blue Economy Finance Principles in the company's processes and the monitoring of the goals set.

Please see our latest Impact report and our ESG and Impact guidelines on our [webpage](#).