



TIME TO TRANSFORM

Investment & Policy Brief

Decarbon8-US is an impact fund for those who believe in the power of entrepreneurship and technology and want to do more to mitigate climate change.

Decarbon8- US provides a way for anyone to invest in cleantech enterprises that are transforming our economy.

Climate change poses tremendous risk to our way of life and that of our children, with 50% of Sustainable Development Goals impacted by threats to nature and its communities(IPBES Plenary 2019). Limiting global warming to 1.5C is going to be hard to hit.

Change is possible – and citizens of the world are ready to take action. For example, sixty-six percent of Washington State’s population want to do more to address climate change (Yale), evidenced in the actions of policymakers, employees and recent commitments from Amazon, Microsoft, Delta Air Lines, Blackrock and others. These trends and the focus on climatetech investment have only grown in an era post pandemic with increased concern over climate change.

So, what can we do?

In lock-step with policy, advocacy and research, everyone needs to do their part to drive the decarbonization of our economy. This is a multi-decade endeavor that needs investment and engaged, active and informed consumers and advocates.

Your tax-deductible contribution to Decarbon8-US supports investment in innovative cleantech companies and helps drive the change the world needs to achieve.

How Decarbon8-US Works

Decarbon8-US is an impact fund that accepts philanthropic donations and grants and subsequently makes equity and debt investments in early stage companies aligned with decarbonization priorities. Deals are sourced through thematic calls for proposals in areas such as electrifying transportation, green buildings and agriculture. The theme for 2023 is the built environment.

For investments below \$20,000, returns will be automatically reinvested in the Fund. For investments of \$20,000 and above, investors have the option to reinvest returns in the Fund or allocate part, or all, of their returns to another donor advised fund or public charity.

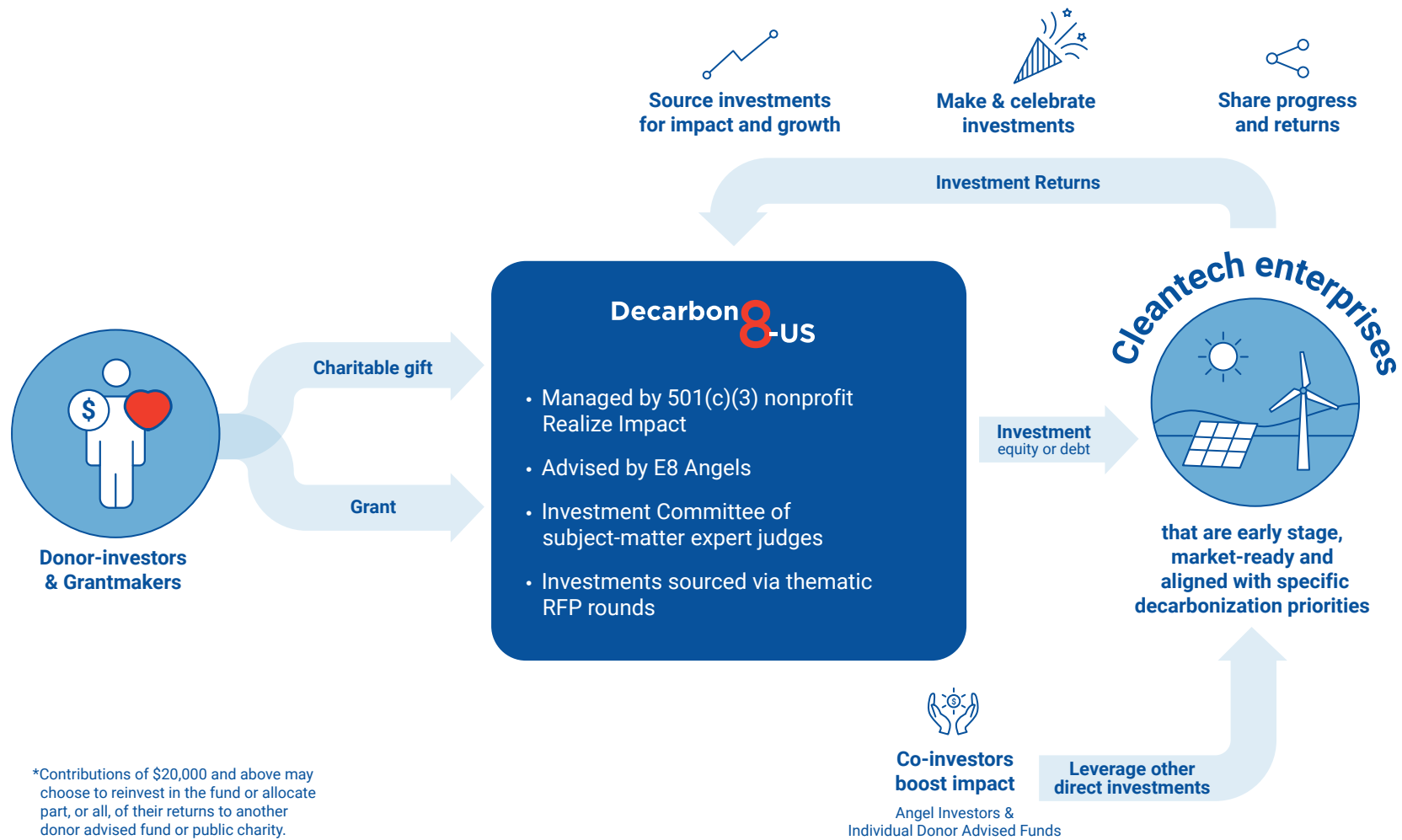
Accredited investors and funds may co-invest in deals as well, alongside the Decarbon8-US fund, increasing impact. Investments are announced in September when we host the culminating investee presentations and celebration.

For those new to philanthropic impact investing, please contact us for our legal brief from Adler & Colvin.

Please contact director@e8angels.com for more information.



How Decarbon8-US Works



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Who we are: E8, Realize impact and the cleantech collaboration



E8

(www.e8angels.com; director@e8angels.com)

E8 leads investment screening, due diligence and selection, and marketing for the Fund.

E8 is an international, Seattle-based community whose mission is to accelerate the transition to a prosperous and cleaner world by investing in and fostering emerging cleantech enterprises. Its flexible, investor-centric platform supports different types of investors and asset classes, including direct angel for-profit investing, pooled investing in expertly managed VC funds such as the E8 Fund, and donor advised fund impact investments.

Since 2006, E8, a 501(c)(6) membership organization, has facilitated **>\$58M in investment in 140+ companies**. Through investment pitches, collective due diligence and learning opportunities, the E8 community unites interest, passion and expertise from the Northwest and internationally.

Write director@e8angels.com to learn more about cleantech angel investing with E8 and, if an accredited investor, to join our monthly member pitch meeting as our guest!



Realize Impact

(www.realizeimpact.org; invest@realizeimpact.org)

We are honored to work with the team at Realize Impact to administer the Fund, supporting Fund operations, investments and monitoring.

Realize Impact is a 501(c)(3) public charity focused on making impact investing easier. Founded in 2013 by the people who created Impact Hub Seattle, the Seattle Impact Investing Group, and Fledge, Realize Impact understands the complexities that lie between philanthropy and investing and the processes required to turn capital into impact. In 2017 we launched investorflow.org, gathering over 450 impact investors from around the world to share deal flow. In 2020 RI launched a new investing service to fill the gap for donors, donor advised funds, and foundations, working with E8, the Seattle Foundation and others.



Decarbon8-US

(www.e8angels.com/decarbon8-us-fund)

Decarbon8-US leverages a host of leading cleantech organizations with complementary missions and expertise. We are grateful for strategy, program and outreach partnerships with:

CleanTech Alliance

VertueLab

Climate Solutions

University of Washington's Clean Energy Institute

Washington State University

Contribute capital and engage

Decarbon8-US gives anyone, of any means, an opportunity to connect and invest in the exciting entrepreneurs and innovations transforming our economy. Collectively we drive investment to accelerate this transition – we also engage and learn together, informing and deepening our advocacy, lifestyle choices, storytelling and more.

Engagement and stewardship

We offer everyone a chance to get engaged with the vital and inspiring progress made possible through generous philanthropic giving.



Learning & Engagement Opportunities

<\$5,000	<ul style="list-style-type: none"> • Access to co-invest in the finalists round • September Presentations and Celebration event • Donor-investor updates and conference calls
\$20,000	<ul style="list-style-type: none"> • Access to co-invest in the finalists round • September presentations and celebration event • Donor-investor updates and conference calls • “Charitable Share” option to recover a portion of your returns (or reinvest)
\$50,000	<ul style="list-style-type: none"> • Access to co-invest in the finalists round • September Presentations and Celebration event • Donor-investor updates and conference calls • First access to direct and all investee follow-on investment opportunities • Visibility of all companies considered in the Decarbon8-US process • Exclusive invitations to selected E8 events throughout the year

Making a contribution

All gifts are tax deductible, and all grants are readily accepted. There are a number of ways to contribute to the Fund.

Via check

payable to
“Realize Impact” with
“D8” in the memo line,
mailed to:

Realize Impact –
Decarbon8-US
271 Winslow Way E,
#11548 Bainbridge Island,
WA 98110-0106

Via credit card

at Decarbon8-US.org
and the donate
button.

Via wire

Columbia Bank
249 Winslow Way, East
Bainbridge Island, WA
98110

Routing: 125108272
Account: 7001202668

Via transfer of securities

which can mean
additional tax benefits

Please contact us.
(director@e8angels.com)

Via donor advised fund or private foundation grants:

EIN: 46-3594732
Realize Impact
271 Winslow Way E,
#11548 Bainbridge Island,
WA 98110-0106

Your “Charitable Share” option for contributions over \$20,000

For investments below \$20,000, returns will be automatically reinvested in the Fund. For investments of \$20,000 and above, investors have the option to reinvest returns in the Fund or allocate part, or all, of their returns to another donor advised fund or public charity. This applies to incoming grants from funds or foundations – i.e. “recoverable grants” – and also new contributions

Your contribution will be tracked and upon investment returns we will contact you with regard to your preference. Foundations or donor advised funds requiring a “recoverable grant” agreement in advance should contact Realize Impact (invest@realizeimpact.org).

Privacy and recognition

Contributions to Decarbon8-US are confidential and not shared with the public unless approved by you for promotional or PR purposes.

Administrative expenses

To support the effective program and administrative management of the Fund, including E8 investment sourcing, due diligence, outreach, and the services of Realize Impact, a one-time 6% fee is assessed on first time contributions, and 3% fee on amounts that are later reinvested in the fund. All returns over the initial investment value are subject to 4% carry to support ongoing Fund and Realize Impact operations.

Sourcing, making and celebrating investments and co-investments.

Investment Goals and Thesis

Our goal is to accelerate the growth and scale of solutions that align with the sectors and industries needed to decarbonize our economy and successfully reach the clean energy goals required to mitigate climate change. We invest in companies across the US and Canada.

Our thesis is to invest in early stage companies with products and services on the market, who have revenue and find value in investment and the accompanying visibility and community support, from Decarbon8-US, E8 angels and our cleantech coalition. Contingent upon funds available, we expect to invest between \$50,000-\$150,000 in each of the companies selected for the fund, with additional funding available from co-investing angels.

Decarbon8's first three rounds, from 2020-2023, resulted in over **\$6M in combined philanthropic and personal co-investment**, including follow on rounds.

Our 2020 investments included Xeal (EV charging), Earthly Labs (industrial carbon capture), and Steelhead Composites (hydrogen storage). Earthly Labs was acquired by Chart Industries, resulting in an exit for D8 donor-investors and accelerated scale and impact of their solution.

Transportation investments in 2021 included C-Motive (disruptive electrostatic motors), Automotus (AI-driven curb management), SparkCharge (mobile EV charging), and GoPowerEV (scalable charging for multi-unit dwellings), as well as a follow-on investment in Steelhead.

Investment sourcing and criteria

Transparency and openness are core operating values for the Fund. Investments will be sourced through our Request for Proposal released in late Spring, with each round focusing on one particular area of the clean energy economy.

To remain flexible and opportunistic, direct investments may be recommended by the Investment Committee outside of the RFP process, encountered through deal flow of E8 and our partners.

With support of accelerators, incubators, universities and other networks, our RFP will seek investment proposals that will be reviewed on the following criteria and eligibility.

Accelerating progress in specific decarbonization goals and growth.

The overriding criteria for investment is impact, using new technology and business models to fill gaps and surmount barriers in specific decarbonization pathways.

Market-ready solutions.

Prioritizing products and services that are tested and available that address gaps and barriers in clean energy pathways. In select circumstances, pilots will be considered if transformative, but generally companies should already have clients and revenue, and need funding to drive early expansion and scale.

Business model and growth potential.

Scalable, profitable business models are essential to our investment thesis of driving change through the power of entrepreneurship and markets, and a company's potential for impact is a primary consideration. We look at for-profit enterprises based in the US or Canada.

Equity and access.

Equity and access are factors in the scoring rubric, with consideration for solutions available to disadvantaged communities.

Deals, deal terms and fundraising rounds.

Various types of deals will be considered, from equity and convertible debt to project-based or revenue based loans. We encourage companies to offer deals that suit their situation and priorities, and for those not currently raising, Decarbon8-US and Realize Impact will flexibly negotiate alternative funding options (e.g. a convertible note or revenue based loan).

Investment Committee & Fellows Tech Support

A committed group of subject matter experts and veteran cleantech angel investors will score, screen and review applicant enterprises, with the support of E8 Fellows providing technical expertise. Their decisions will be reviewed by E8 Directors when recommending investments to the Realize Impact Investment Committee.



Kathleen Hebert
*Sr. Venture Partner,
E8 Ventures*

Kathleen Hebert is a Senior Partner at E8 Ventures and a board member of E8. Deeply involved in clean technology investment and climate action, she serves on the boards of The Nature Conservancy of Washington, the Clean Energy Transition Institute, and was a 2015 Northwest Conservation Fellow. Kathleen previously was a VP at Microsoft and a strategy consultant at BCG.



Harbie Jawanda
*Partner,
Bluewaterhouse Capital*

Harbie Jawanda is E8 Board Member and Partner at Bluewaterhouse Capital. Bringing over 15 years of capital markets and finance experience, Harbie focuses on decarbonizing the built environment by acquiring and repositioning multifamily properties. As an active investor, he is a mentor/advisor to several Climate Tech accelerators and is an Investment Committee Member with the Climate Innovation Fund (Alberta Ecotrust).



Dr. James Kempf
*Senior Consultant,
Kempf and Associates*

Dr. James Kempf has a Ph.D. in Systems Engineering from the University of Arizona. In 2016, he started his own consulting business on information and communication technology for renewable energy and building decarbonization after decades of working with some of the largest technology companies. Dr. Kempf holds 26 patents, is the author of 56 technical papers, and authored 3 books.



Devin Kleiner
*Director of Regenerative
Design and Associate
Principal, Perkins&Will*

With over 20 years of experience as a practicing architect, Devin Kleiner is the Director of Regenerative Design, leading sustainability for Perkins&Will. Kleiner is a knowledge expert in deep green design, occupant wellness, and innovation across the country and has received many awards, such as Committee on the Environment (COTE) Top 10.



John McGarry
*Conservationist, angel
investor, & clean energy
pathways advocate*

John McGarry moved to Seattle after a 25-year career as a senior investment banker in New York, Hong Kong, and Chicago. John was a Fellow in the Northwest Conservation Philanthropy Fellowship program in 2015. He is early stage cleantech investor who also serves on the Sightline Institute & The Clean Energy Transition Institute board.



Reshma Singh
*Senior Advisor at the U.S.
Department of Energy*

Reshma Singh concurrently works at U.S. Department of Energy and the Lawrence Berkeley National Laboratory. She brings over 10 years of experience in urban sustainability, cleantech, and working with international ecosystems in the United States, India, and Singapore. She is a recipient of the American Association of University Women, the Harvard University's Community Service Fellowship, and has taught graduate seminars at Harvard and UC Berkeley.

Tech Support from E8 Fellows

Given cleantech's technological innovation and complexity, E8 and the coalition embrace support from tech teams from the private sector and academia. We have access to the expertise of graduate and post-graduate E8 Fellows from the University of Washington, Washington State University and other partners. Fellows bring critical technical expertise to the due diligence process.

Evaluation and due diligence process

Late Spring: Request For Proposal announced

Round 1: Applicants screened by E8 Committee

Round 2: Semi-finalists pitch to Judging Panel

Round 3: Due diligence conducted on finalists; business review and financial analysis by E8 teams, and technical research by E8 fellows.

September: Investment selection

September: Celebration event, portfolio presentation and co-investment pitches.

Making and monitoring investments and returns

Upon the selection of the finalists, Realize Impact will administer investments from the Fund, and in partnership with E8 track the progress of investee companies. All returns on investments below \$20,000 will be reinvested in the fund; investments \$20,000 and above may choose to reinvest in the fund or allocate part, or all, of their returns to another donor advised fund or public charity. All returns over the initial investment value are subject to 4% carry to support ongoing Fund and Realize Impact operations.

Contributors to the Fund will have access to regular investment updates, as well as ongoing learning activities related to past or current investments.

An aerial photograph of several icebergs floating in dark, teal-colored water. The icebergs are white and jagged, with some showing signs of melting. The water is a deep, dark teal color, and the overall scene is dramatic and somber.

Decarbon8-US

TIME TO TRANSFORM

To accelerate progress on our drive for clean energy
Join us and contribute now.

Decarbon8-US.org

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actiondigital.co