

Investing for impact and financial return, a profile of Gresham House Ventures

With #QVCS, Maddy Ness profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today we interview Zixin Pan, Associate Director at Gresham House Ventures.

Temps de lecture : minute

25 September 2023

Can you tell our readers where and how it all began and talk about where you are today?

It all began with the realisation that the ClimateTech sector was brimming with potential but faced unique challenges in terms of investment.

Founders were struggling to find the right equity partners. This mismatch is not usually a result of funding scarcity but rather stems from a misalignment of expectations between investors and founders.

At [Gresham House Ventures](#), we bring clarity to the table, engaging with founders to ensure mutual alignment right from the start. We focus on proven products, sustainable economics, and scalability. Additionally, we are committed to the long-term potential of technologies that accelerate the transition to clean energy. This allows us to support founders at various stages of their growth journey.

Which industries are you working in?

Gresham House is a specialist alternative asset manager across both real assets and public and private equity. Within real assets, we manage Europe's largest utility-scale battery storage fund and are the number one forestry asset manager in the UK and the seventh largest globally. Within Gresham House Ventures we specialise in scaling companies across a diversified range of sectors, including healthcare, education, technology and communications, consumer markets, and business services.

Prior to my role at Gresham House Ventures, I spent eight years at Shell International Ltd, with the majority of that time dedicated to the New Energies division. At Gresham House Ventures, we are particularly keen to invest in cutting-edge technologies that enhance the efficiency of renewable energy production, operations, and management. We are also focused on businesses that accelerate the adoption of clean energy.

What do you look for in a founder?

We look for founders who have a crystal-clear view of their customer value proposition. They should be able to articulate how they will create additional revenues for customers, save their customers money, or provide them with a license to operate. Additionally, we value founders who have a scalable business model, healthy unit economics, and high levels of capital efficiency.

Can you talk about your current portfolio?

Starting in 2023, we've added two new ClimateTech investments to our portfolio: *Connect Earth* and Dayrize. Both firms utilise data analytics to provide transparency about climate impact to both consumers and businesses, thereby facilitating a shift in consumption patterns towards a more sustainable economy. Connect Earth offers a cost-effective solution

for tracking carbon footprints at the transaction level for both individuals and organisations. Meanwhile, Dayrize has developed a sustainability impact assessment tool that delivers product-level insights for consumer goods brands and retailers.

What does the future look like?

The potential of ClimateTech is significant. We see emerging trends in advanced operations and maintenance technologies for renewable energy assets. The grid requires more flexible technologies to adapt to the growing influx of intermittent renewable energy sources. Carbon management is another area where we anticipate significant innovation. On the economic landscape, we expect the focus on sustainable and responsible investment to intensify, making it even more crucial for businesses to have both impact and ROI.

What makes Gresham House Ventures different?

What sets us apart is our balanced approach to investment. We don't see a contradiction between investing for impact and generating a financial return. Our key pillars — proven product, sustainable economics, and scalability — guide us in identifying high-quality businesses. Beyond providing capital, we also offer a specialised in-house talent function. This team is committed to identifying key personnel who can complement existing management and board members, thereby facilitating the company's transition to its next growth phase.

What one piece of advice would you give founders?

My one piece of advice would be to focus on building a business model

that is both sustainable and scalable. A lot of businesses claim to be unique, but the best ones can explain why. Make sure your value proposition is not just compelling but also scalable.

Zixin Pan is Associate Director at *Gresham House Ventures*.

Article by Zixin Pan, associate director at Gresham House Ventures