

Greater Manchester Combined Authority

Date: 12th December 2025

Subject: GM Investment Framework, Conditional Project Approval

Report of: Councillor David Molyneux, Portfolio Lead for Investment and Resources and
Steve Wilson, Portfolio Lead Chief Executive for Investment

Purpose of Report

This report seeks Greater Manchester Combined Authority (“Combined Authority” and “GMCA”) approval for an equity investment of up to £500,000 to C3 Biotechnologies Limited.

Further details regarding the investments and update are included in the accompanying Part B report to be considered in the confidential part of the agenda due to the commercially sensitive nature of the information.

Recommendations

The GMCA is requested to:

1. approve an equity investment of up to £500,000 to C3 Biotechnologies Limited
2. delegate authority to the Combined Authority Treasurer in consultation with the Combined Authority Monitoring Officer to review the due diligence information in respect of the above investments, and, subject to their satisfactory review and agreement of the due diligence information and the overall detailed commercial terms of the investments, to sign off any outstanding conditions, issue final approvals and complete any necessary related documentation in respect of the investments noted above.

Contact Officers

Steve Wilson: steve.wilson@greatermanchester-ca.gov.uk

Laura Blakey: laura.blakey@greatermanchester-ca.gov.uk

Robert Edwards: robert.edwards@greatermanchester-ca.gov.uk

Equalities Impact, Carbon and Sustainability Assessment

A) C3 Biotechnologies Limited

Recommendation - Key points for decision-makers

Impacts Questionnaire

| Impact Indicator | Result | Justification/Mitigation |
|--|--|--|
| Equality and Inclusion | | |
| Health | | |
| Resilience and Adaptation | | |
| Housing | | |
| Economy | G | A Greater Manchester-based biotechnology company developing sustainable alternatives to petrochemical products. Part of the funding will be used to hire highly skilled individuals to advance the company's R&D programs. |
| Mobility and Connectivity | | |
| Carbon, Nature and Environment | | |
| Consumption and Production | | |
| Contribution to achieving the GM Carbon Neutral 2038 target | | |
| Further Assessment(s): Equalities Impact Assessment | | |
| G Positive impacts overall, whether long or short term. | A Mix of positive and negative impacts. Trade-offs to consider. | R Mostly negative, with at least one positive aspect. Trade-offs to consider. |
| | | RR Negative impacts overall. |

Carbon Assessment

| Overall Score | | #DIV/0! |
|--|---|--|
| Buildings | Result | Justification/Mitigation |
| New Build residential | N/A | |
| Residential building(s) renovation/maintenance | N/A | |
| New build non-residential (including public) buildings | N/A | |
| Transport | | |
| Active travel and public transport | N/A | |
| Roads, Parking and Vehicle Access | N/A | |
| Access to amenities | N/A | |
| Vehicle procurement | N/A | |
| Land Use | | |
| Land use | N/A | |
| No associated carbon impacts expected. | High standard in terms of practice and awareness on carbon. | Mostly best practice with a good level of awareness on carbon. |
| | | Partially meets best practice/ awareness, significant room to improve. |
| | | Not best practice and/ or insufficient awareness of carbon impacts. |

Risk Management

The investments recommended in this paper will be governed under the existing investment framework which includes several levels of review and ongoing monitoring of performance.

Legal Considerations

The legal agreements will be based upon the existing templates for the GM Investment Fund, amended for the specific requirements of the individual funding arrangements.

Financial Consequences – Revenue

Future dividend income from equity investments will be applied to Revenue reserves.

Financial Consequences – Capital

The proposed equity will be made from recycled funds. Any future income from the sale of shares will be applied to Capital reserves.

Number of attachments to the report

None.

Comments/recommendations from Overview & Scrutiny Committee

Not applicable.

Background Papers

None.

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

Yes

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No.

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

1. Introduction/Background

1.1. Background:

- 1.1.1. The Combined Authority maintains and develops a pipeline of projects submitted by applicants seeking funding from the Combined Authority's Investment Funds allocation. These projects are assessed against criteria based on the GM Investment Strategy, developed to underpin the economic growth of Greater Manchester. A condition of investment is that the companies sign up as (at a minimum) a supporter of the Greater Manchester Good Employment Charter.
- 1.1.2. Recommendations in this report follow on from:
 - an appraisal by the GM Investment Team; and
 - a review by an investment sub-group which includes independent, expert advisors.

2. Investments Recommended for Approval in Principle

2.1. C3 Biotechnologies Limited

Sector: Sustainable Fuels, Advanced Materials and Carbon Reduction Technologies

- 2.1.1. The business case for an equity investment of up to £500,000 into **C3 Biotechnologies Limited** —has been submitted to, appraised by the Investment Team, and is recommended to the Combined Authority for conditional approval.

- 2.1.2. Established in 2015, **C3 Biotechnologies Limited** is a Stockport-based biotechnology company developing sustainable alternatives to petrochemical products. Spun out from the Manchester Institute of Biotechnology, the company converts waste feedstocks into high-performance biofuels and biochemicals.
- 2.1.3. **C3 Biotechnologies Limited** is led by a pioneering team of scientists and technologists, utilising their expertise to support a shift to mass adoption of bio-based fuels and chemicals. This builds on work completed through a series of development contracts with customers including BAE, Sprin-D and UK RAF.
- 2.1.4. The investment will form part of a £4m funding round to support facility expansion; new staff hires; and accelerate research and development activities through new contracts.
- 2.1.5. Further details regarding this equity investment are provided in the accompanying Part B report, to be considered in the confidential section of the agenda due to the commercially sensitive nature of the information.