

The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

One Ashburton Place, Boston, Massachusetts 02108-1512

Attachment Sheet

Annual Benefit Report of Beta Bionics, Inc. 2017

Beta Bionics, Inc. (the “Company” or “Corporation”) was incorporated as a Massachusetts benefit corporation on October 21, 2015. This Annual Benefit Report is prepared in accordance with Chapter 156E of the Massachusetts General Laws, Section 15 and covers the Company’s activities through December 31, 2017.

Our General and Specific Public Benefit and Mission

The Company has the stated purpose of creating a general public benefit as well as a specific public benefit of improving public health. To that end, the Company’s Board of Directors adopted and approved comprehensive bylaws enumerating and explaining the manner in which the Company will pursue its specific public benefit purpose for the type 1 diabetes (“T1D”) community. The bylaws establish the following four guiding principles of the Company’s public benefit since inception:

1. To provide and to protect the Corporation’s turnkey solutions for safe and effective autonomous glycemetic control;
2. To bring the Corporation’s technology to as many people with T1D as possible in an expeditious and responsible manner;
3. To continue to innovate and to offer the latest advances as expeditiously and responsibly as possible; and
4. To act in the best possible interest of the T1D community in connection with fulfilling the Corporation’s functions.

Actions to Accomplish General and Specific Public Benefit

The Company pursued its general and specific public benefit and mission during the 2017 timeframe by continuing its development effort and positioning the Company’s technology for multiple bridging studies in 2018 while also developing our final commercial platform for pivotal trials in 2019. Key to the Company’s public benefit mission is creating a platform of maximum choice for the patient. To that end, the iLet Bionic Pancreas™ system is designed to be compatible with multiple drug and medical device components manufactured by a variety of market participants. We resist market pressures that reduce patient choice and potentially increase therapeutic costs.

In 2017 the Company continued to deepen its relationship with B Lab® by remaining in good audit standing and participating in the 2017 Champions Retreat. Through participation in the Champions Retreat, Beta Bionics elevated its profile among the B Corp community and impact oriented business partners.

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Additionally, the Company successfully negotiated and secured an initial close of its Series B Preferred Stock offering with Zealand Pharma A/S – the Danish based developer of ZP4207, a liquid-stable analog. The investment follows ongoing co-development efforts beginning in 2016. By bringing together Eli Lilly & Company, Novo Nordisk A/S, and Zealand Pharma A/S as investors and collaborators, we have accelerated development of our public benefit mission to promote access and development of the Company’s technology. Looking ahead to 2018, the Company will continue to focus on collaborating with additional corporate strategic partners to ensure that the iLet Bionic Pancreas platform is accessible to as many patients as possible.

No Hindrance to Creation of Public Benefit

No circumstances were present in 2017 that hindered the Company’s creation of its general or specific public benefit, however, access to additional capital and acceleration of development efforts could have conceivably resulted in creation of additional general and specific public benefit..

Continued Partnership with B Lab as the Company’s Third Party Public Benefit Review Standard

Shortly upon incorporation, the Company selected B Lab (www.bcorporation.net), a non-profit organization that certifies Benefit Corporations via its B Lab Impact Assessment and B Analytics tools to measure and manage positive impact. B Lab is the most widely recognized and rigorous third party standard for certifying and measuring corporate public benefit and sustainability performance. Beta Bionics undertook the B Lab Impact Assessment in 2016 and became a certified B Corporation in 2017. Certification continues for a period of two years. Accordingly, Beta Bionics will begin the assessment cycle again in 2018 for recertification in 2019.

About B Corporations

Certified B Corporations are leaders of a global movement of people using business as a force for good. They meet the highest standards of overall social and environmental performance, transparency and accountability and aspire to use the power of business to solve social and environmental problems. There are more than 1,700 Certified B Corporations in over 130 industries and 50 countries with 1 unifying goal – to redefine success in business.

About B Lab

B Lab is a nonprofit organization that serves a global movement of people using business as a force for good. Its vision is that one day all companies compete not only to be the best in the world, but the Best for the World® and as a result society will enjoy a more shared and durable prosperity. B Lab drives this systemic change by:

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1. Building a global community of Certified B Corporations who meet the highest standards of verified, overall social and environmental performance, public transparency, and legal accountability;
2. Promoting Mission Alignment using innovative corporate structures like the benefit corporation to align the interests of business with those of society and to help high impact businesses be built to last;
3. Helping tens of thousands of businesses, investors, and institutions Measure What Matters, by using the B Impact Assessment and B Analytics to manage their impact -- and the impact of the businesses with whom they work -- with as much rigor as their profits;
4. Inspiring millions to join the movement through compelling story-telling by B the Change Media.

For more information, visit www.bcorporation.net, www.bimpactassessment.net, www.b-analytics.net and www.benefitcorp.net.

The B Lab Impact Assessment and Two Year Certification

In the calendar year 2016, the Company completed the B Lab Impact Assessment and audit process, which is scored on a scale of 0-200. Beta Bionics received a final qualifying score of 82 points on the B Lab Impact Assessment, which measures public benefit impact by analyzing five categories of impact. The Company's initial qualifying score is valid through 2017.

- *Corporate Governance*

The B Lab Impact Assessment analyzes five sub-categories affecting corporate governance. B Lab reviews the Company's benefit mission and engagement with the community and world at large; company accountability to the public; business ethics and compliance; corporate transparency internally and externally; and benefit mission pursuit. The Company scored 21.8 points in the category of Corporate Governance.

- *Workers*

B Lab reviewed the Company's compensation and wage structure to evaluate corporate responsibility and employee well being; employee benefit structure is evaluated and analyzed for anti-discrimination and uniform offering; employee education and training; management and worker communication; and job

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flexibility corporate culture. The Company scored 20.8 points in the category of Workers. **Attachment Sheet**

- *Community*

B Lab evaluated the sub-categories of job creation; diversity and inclusion; civic engagement and giving within the community; local involvement; and supplier/product control. The Company scored 32.5 points in the category of Community.

- *Environment*

B Lab evaluates all aspects of business operations for environmental impact and pollution mitigation. Sub-categories include analysis of Beta Bionics' physical offices, impact on Company consumption and production of waste. The Company scored 7.1 points in the category of Environment.

- *Customers*

B Lab considers customer satisfaction, impact and ultimate service to the T1D community with the Company's product. Beta Bionics does not yet produce a commercial product so it was unable to receive a score in this category.

Our Public Benefit Director and Public Benefit Officer

From 2015 through present day, the Company's Benefit Director is Jeff Hitchcock, founder of the not-for-profit Children with Diabetes and a father of a now adult daughter with T1D. Edward Raskin, an attorney and father of an 11-year old son with T1D, serves as the Company's Benefit Officer.

Correspondence relating to this report may be directed to either individual at Beta Bionics, Inc., Business Innovation Center, Photonics Center, 8 Saint Mary's Street, Suite 936, Boston, MA 02215-2421.

No Compensation for Board Positions

The Company has not provided compensation to the members of its Board of Directors for services performed in their roles as members of the Board.

Owners of 5% or More of the Company's Outstanding Shares

The following persons or entities own five percent or more of the outstanding shares of the Company's stock: (1) Edward R. Damiano; (2) Toby Milgrome; (3) Firas El-Khatib; (4) the Trustees of Boston University; and (5) Eli Lilly & Company.

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No Ownership Connection Between B Lab and the Company

B Lab, including its directors, officers, and those holding of 5% or more of the governing interest in B Lab, has no connection with the Company, including the Company's directors, officers, and those holding of 5% or more of the governing interest in the Company.

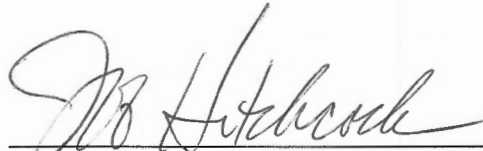
Powers of the Board Have Not Been Dispensed with or Restricted

The Company has not dispensed nor restricted the discretion of the Board.

Certification of the Company's Benefit Director

I, Jeff Hitchcock, certify that I am the duly elected Benefit Director of Beta Bionics, Inc. At no time have I held, nor do I currently hold, any other positions within the Company. I have not received any compensation for my services as a Benefit Director of Beta Bionics, Inc. I have reviewed the Company's public benefit report and certify as to the accuracy of its contents. The Company has acted in accordance with its general public benefit as well as its specific public benefit purpose in all material respects during the period covered by this report. I further certify that the directors and officers have complied with subsection (a) of Section 10, subsections (a) to (g) of section 11, and subsection (a) of Section 12 of Chapter 156E of the Massachusetts General Laws. In my opinion, the Company's benefit status has and will continue to have a positive impact on its business including creating a positive consumer opinion, increasing return on investment, positively impacting shareholders and its employees as well as the T1D community.

Executed on this 27th day of April 2018,



JEFF HITCHCOCK