

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. 2020

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, 2020.

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 a potential turnkey solution for safe and effective autonomous glycemic 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

In 2020, Beta Bionics continued the clinical development of its iLet bionic pancreas (the “iLet” or “iLet system”).

Ongoing Pivotal Trial of the Company’s Insulin-Only iLet Configuration

In 2020, the Company began its ongoing 13-week pivotal randomized controlled trial to evaluate its use in people with type 1 diabetes ages six and older using the iLet in its insulin-only configuration. This multicenter trial, involving 16 clinical sites located across the United States is being conducted in association with the National Institute of Diabetes and Digestive and Kidney Diseases, or NIDDK, part of the National Institutes of Health, or NIH. The NIH is also providing partial financial support for the trials through a grant to Boston University. Trial enrollment is intended to involve a diverse population of people living with type 1 diabetes with a third or more

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of trial participants having an HbA1c level of 8% or more, a third or more of trial participants on MDI therapy, and a third or more of trial participants being 50 years old or older. The Jaeb Center for Health Research Foundation, or the Jaeb Center, is acting as sponsor and is also the contract research organization conducting the trial. Steven Russell, M.D., who is affiliated with the Massachusetts General Hospital, or MGH, is the principal investigator on this trial.

This pivotal trial is designed to evaluate the safety and effectiveness of the Company's iLet system in its insulin-only configuration. 440 participants have been screened in this pivotal trial with participants being randomized, to either a 330-participant cohort using the iLet system for 13 weeks or a 110-participant cohort using usual care for 13 weeks. The primary endpoint for the trial is superiority of the iLet insulin-only configuration over usual care as measured by HbA1c values after 13 weeks of treatment. A key secondary endpoint being evaluated is the non-inferiority of the iLet as compared to usual care in the percent of time spent in clinically significant hypoglycemia, defined as CGM glucose levels below 54 mg/dl, during the 13-week trial period. Other secondary endpoints to be evaluated include superiority over usual care as measured by mean CGM glucose levels and time in target range (70-180 mg/dl).

Planned Pivotal Trial of the Company's Bihormonal iLet Configuration

The Company expects to commence a 52-week pivotal randomized controlled trial to assess the safety and effectiveness of the bihormonal configuration of the iLet with dasiglucagon. The trial will include a six-month randomized controlled trial period followed by an additional six-month chronic exposure testing period.

The above development, clinical, regulatory and business activities position the Company to ultimately seek regulatory approval and, if achieved, commercialize the iLet system. Information related to the iLet system is preliminary and developing. The iLet system is an investigational device that is not yet approved by the FDA or by any other regulatory body in any other country. Regulatory approval of the iLet system is critical to the Company's success and to ensuring that we meet the essence of the Company's public benefit mission.

No Hindrance to Creation of Public Benefit

No circumstances were present in 2020 that materially hindered the Company's creation of its general or 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

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B Corporation in 2017. Under new B Lab policy, certification continues for a period of three years. Beta Bionics began the assessment cycle in 2019 and was recertified in 2020.

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 3,900 Certified B Corporations in over 150 industries and 70 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:

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 Three-Year Certification

In the calendar year 2019, 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 108.3 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 2022.

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- *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 17.3 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 flexibility corporate culture. The Company scored 29.7 points in the category of Workers.
- *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 12.4 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 18.6 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. The Company scored 30.2 points in the category of Customers.

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. The Company currently does not have a public benefit officer.

Correspondence relating to this report may be directed to the public benefit director at Beta Bionics, Inc., 11 Hughes, Irvine, California 92618.

Compensation for Board Positions

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The following table provides information regarding the total compensation that was earned by or paid to each of our non-employee directors during the fiscal year ended December 31, 2020.

<u>Name</u>	<u>Fees Earned or Paid in Cash (\$)</u>	<u>Option Awards (\$)(1)(3)</u>	<u>All Other Compensation (\$)(2)</u>	<u>Total(\$)</u>
Martha Aronson.....	37,739	381,150	2,312	421,201
Sean Carney.....	36,567	381,150	—	417,717
Beth Brooke.....	1,667	69,372	—	71,039
Jeff Hitchcock.....	35,211	415,285	—	450,496
Finny Kuruvilla	—	—	—	—

- (1) The amounts reported represent the aggregate grant date fair value of the stock options awarded to the non-employee directors during fiscal year 2020, calculated in accordance with Financial Accounting Standards Board, or FASB Accounting Standards Codification, or ASC Topic 718. Such grant date fair value does not take into account any estimated forfeitures. The amounts reported in this column reflect the accounting cost for the stock options and does not correspond to the actual economic value that may be received upon exercise of the stock option or any sale of any of the underlying shares of common stock.
- (2) Amount reflects an expense reimbursement.
- (3) As of December 31, 2020, each of our non-employee members of our board of directors who held such position held the following aggregate number of unexercised options as of such date:

<u>Name</u>	<u>Number of Securities Underlying Unexercised Options</u>
Martha Aronson	11,000
Sean Carney	11,000
Beth Brooke	1,800
Jeff Hitchcock	11,000
Finny Kuruvilla	—

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) Entities affiliated with Eventide Asset Management, LLC; (5) Entities affiliated with RTW Investments, LP; (6) Novo Nordisk A/S; (7) Eli Lilly & Co.

No Ownership Connection Between B Lab and the Company

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B Lab, including its directors, officers, and those holding of 5% of 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% of 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.

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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 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 14th day of May 2021,

DocuSigned by:

Jeff Hitchcock

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JEFF HITCHCOCK