



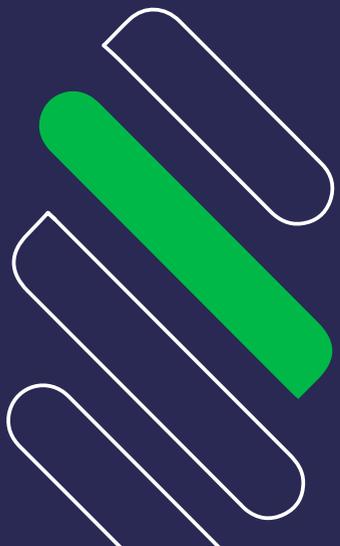
ESG & IMPACT REPORT

— 2023

 SPventures



 **SP**ventures



SP VENTURES

ESG AND IMPACT

SDGS AND AMBITIONS

CONTEXT

SP VENTURES ESG AND
IMPACT JOURNEY

ESG JOURNEY
PORTFOLIO
DEVELOPMENT

IMPACT PORTFOLIO

ESG & IMPACT REPORT — 2023



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We are an early-stage venture investor in agrifood and climate tech. **We are investors passionate about converging financial returns with scaled impact.**

We believe that our investments in game-changing solutions and entrepreneurs will build a more sustainable and responsible agrifood value chain.

We are one of the largest venture capital fund managers focused on agrifood tech in Latin America.



We back the out-of-the-box thinkers... people daring to reinvent the AgFood value chain."



Our Expert Team

With deep operating, financing, consulting and PE/VC AgFood experience - the team has track-record of 50+ investments



Francisco Jardim



Felipe Guth



Ariadne Caballero



Alexandre Stephan



Renata Fernandes



Juliana Podestá



Felipe Romano



Rebecca Aguiar



Ana Luiza Soffiatti



Pedro Jábali



Our History

Started sector-agnostic;
today, AgFood tech centric.

EARLY YEARS SP VENTURES

- Won bid to manage CRIATEC-SP I
- Created own proprietary deal analysis methodology
- Implemented portfolio monitoring & value add system

DEALS:
8



SP VENTURES: LEADING BRAZILIAN VC FIRM

- Raised AgVentures I – final close at (R\$105 m)
- Top 5 (2014-15) largest early-stage VC funds in Brazil from diversified LP base
- Sector-directional fund with 70% exposure in Ag



DEALS:
29



SP VENTURES: LEADING AGFOOD LATAM VC FIRM

- Raised AgVentures II – final close at (U\$ 58 m)
- 1st AgFood centric early-stage VC fund in Latam

DEALS:
46



2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

Anchor Investors

AGVENTURES II



We back the out-of-the-box thinkers... people daring to reinvent the AgFood value chain.”



Portfolio

AGVENTURES II



We back the out-of-the-box thinkers... people daring to reinvent the AgFood value chain.”



































ESG and impact investment profile



We believe that financial return can and should be accompanied by responsible action and value generation.”





ESG and Impact



ESG and Impact Manifest



We seek to build a more sustainable AgFood Value chain"

AGRI

Innovation in agriculture is directly related to scaling impact.

We believe we will transform society and impact the entire agrifood value chain by leveraging knowledge, entrepreneurship, and technology.



Climate Change

Although agriculture is one of the major GHG emitters in the world, we believe that through technology and better management practices, such as precision agriculture, biologicals, and optimized routes, it is possible to boost productivity in the field and reduce emissions and the need for more farmland, thus establishing a low-carbon economy.



ESG and Impact Manifest



We seek to build a more sustainable AgFood Value chain"

AGRI

Innovation in agriculture is directly related to scaling impact.

We believe we will transform society and impact the entire agrifood value chain by leveraging knowledge, entrepreneurship, and technology.



Sustainable Land Use/ Regenerative Agriculture

Natural resources are limited. Through technology, entrepreneurship, shared knowledge, and financial capital, we can reduce and/or replace the use of chemicals, thus mitigating contamination risks. These practices, combined with soil health, increase productivity and the potential for carbon capture.



Empowerment

When we delve into the world of agriculture, we find many different conditions. While certain large-scale farmers have access to advanced technologies, many small- and medium-scale farmers have been left behind. Our belief is that by combining entrepreneurship and technology, we will democratize access to productivity and efficiency and move toward more sustainable and inclusive agriculture.

ESG and Impact Manifest

FOOD

The food sector merges with the main challenges facing the world today, so we see great potential for scaling a positive social impact in this area.



We seek to build a more sustainable AgFood Value chain"



Food security

Dependable access to quality food is one of society's greatest challenges. Through technology, innovation, and disintermediation of the food value chain, it is possible to improve the reliability of supply, quality, and affordability of food.



Traceability

Innovation and technologies that enable traceability allow greater quality, reliability, and safety to end consumers. Transparency of the supply chain allows for validation of sustainable food sources.



Food loss avoidance

Waste is present in the entire chain, including in production, storage, distribution, and the end consumer's home. We believe that innovative solutions, such as shorter supply chains through digital disintermediation, will significantly reduce the food waste across the supply chain.

ESG and Impact Manifest

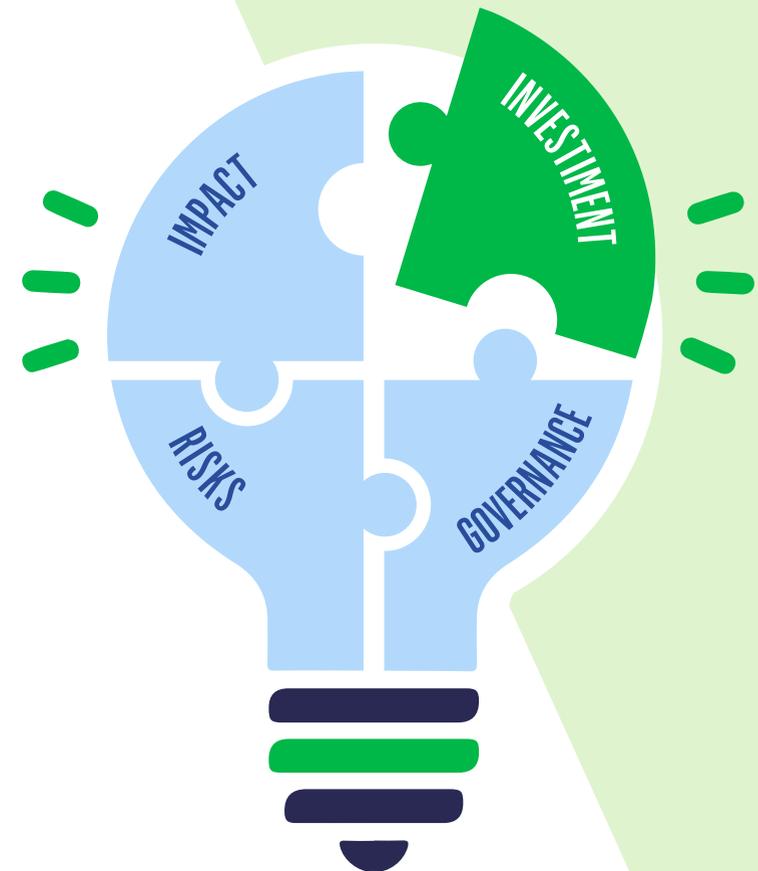
A journey of co-construction and continuous evolution...

We have a portfolio of investees that tackle these challenges head-on through entrepreneurship, innovation, and novel approaches. Our founders question the status quo and deploy technologies with a profound sense of purpose. Our goal is to leverage impact on each of these fronts and spearhead the transition to a new reality.

We believe conscious investing is not just about impact. Besides incorporating ESG criteria into our due diligence and portfolio allocation to thoroughly safeguard our principles, we continue to positively influence our investees. We support and encourage each founding team to implement ESG as core pillars of their corporate culture. Understanding that each will have different entrepreneurial journeys with their own set of challenges, **we take co-responsibility in helping them address specific issues such as governance, measurement impact, and transparency.**



We seek to build a more sustainable AgFood Value chain"



Network Impact

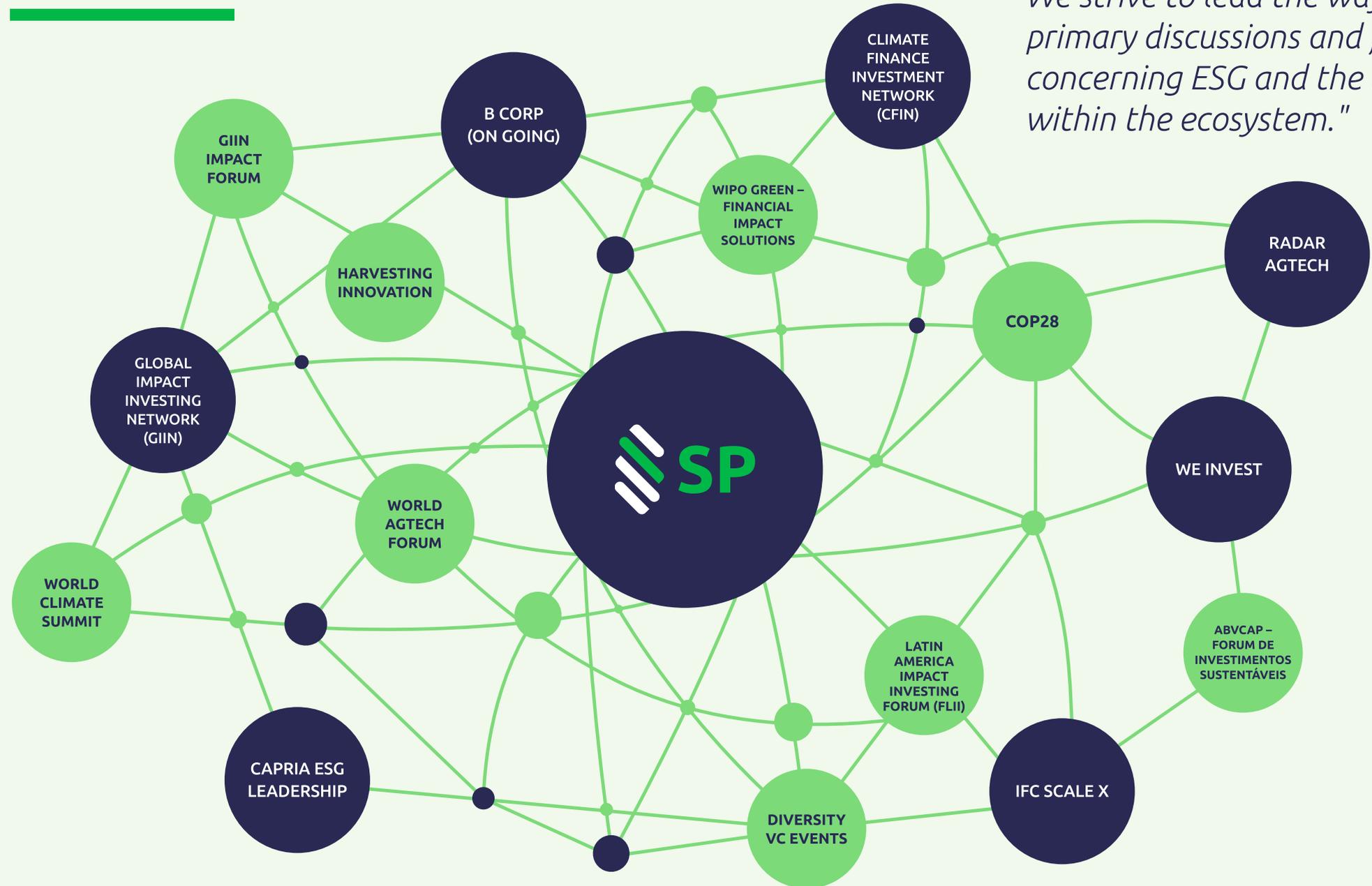
We believe that responsible action is not only about impact; however, we see **positive impact as an intrinsic factor to our premise and to the reality in which we invest.**

Reflecting this principle, our fund counts on impact investors who represent the best ESG practices in the market.

These investors influence and support the development of ESG criteria and represent coherence throughout our processes, thus bringing greater credibility to the work of SP Ventures and the impact generated through its portfolio.



Network Impact



“

We strive to lead the way in the primary discussions and forums concerning ESG and the impact within the ecosystem.”

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SDGs and Ambitions



Investing in AgFoodTech to shape a sustainable and resilient future



Francisco Jardim

GENERAL PARTNER AT SP
VENTURES

“

Investing in Latin American AgTech is a fantastic triple-bottom-line opportunity, hitting three crucial targets: financial returns, food security, and tackling the urgent climate crisis. Latin America stands tall as one of the primary global regions for food production and environmental sustainability. So, it's high time we take it up a notch, ensuring that boosting food production and productivity goes hand in hand with adopting sustainable and regenerative practices. These practices not only help protect the environment and preserve biodiversity but also ensure that quality food meets surging global demand.

By unleashing the power of entrepreneurship and technological innovation, we can make a significant dent in boosting productivity and climate resilience across the region. AgTech investments in fields like biological inputs, climate-friendly digital agriculture, and supply chain solutions have shown their prowess in

tackling these challenges effectively while spreading wealth among stakeholders. Latin America boasts a proven entrepreneurial spirit and a pool of talented individuals, backed by robust research centers specializing in tropical agronomical sciences. Our investments aim to blend these formidable forces, fostering collaboration between entrepreneurs and researchers to tackle head-on food security and climate adaptation.

The global spotlight on food security and climate adaptation, notably evident at the Dubai COP 28, highlights the urgency of these matters in climate finance discussions. Our partners are dedicated to leaving a legacy by addressing these challenges head-on, tapping into the transformative power of AgTech to shape a sustainable and resilient future not only for Latin America but also for the world at large.

”

Prioritized SDGs by SP Ventures

SP Ventures prioritizes the impact objectives outlined in SDGs 2, 12, and 13, with their targets serving as integral components of the firm's investment strategy.



SDG 2:
**Zero
Hunger**

Underscores the commitment to global food security. By directing investments toward initiatives that promote sustainable agricultural production, the aim is to contribute to eradicating hunger and ensuring access to nutritious and sufficient food for populations.



SDG 12:
**Responsible
Consumption
and
Production**

Is pivotal to the investment firm's sustainable approach. By prioritizing projects that adopt sustainable agricultural practices, the investment firm seeks to reduce the environmental impact of production, promoting resource efficiency and waste minimization.



SDG 13:
**Climate
Action**

Highlights concerns about the climate challenges faced by the agricultural sector. Investing in initiatives aimed at climate resilience and mitigating greenhouse gas emissions is essential to addressing climate change and promoting long-term sustainability.



By prioritizing these SDGs, SP Ventures seeks not only financial returns but also positive impacts in terms of food security, environmental sustainability, and climate resilience in the agricultural sector.

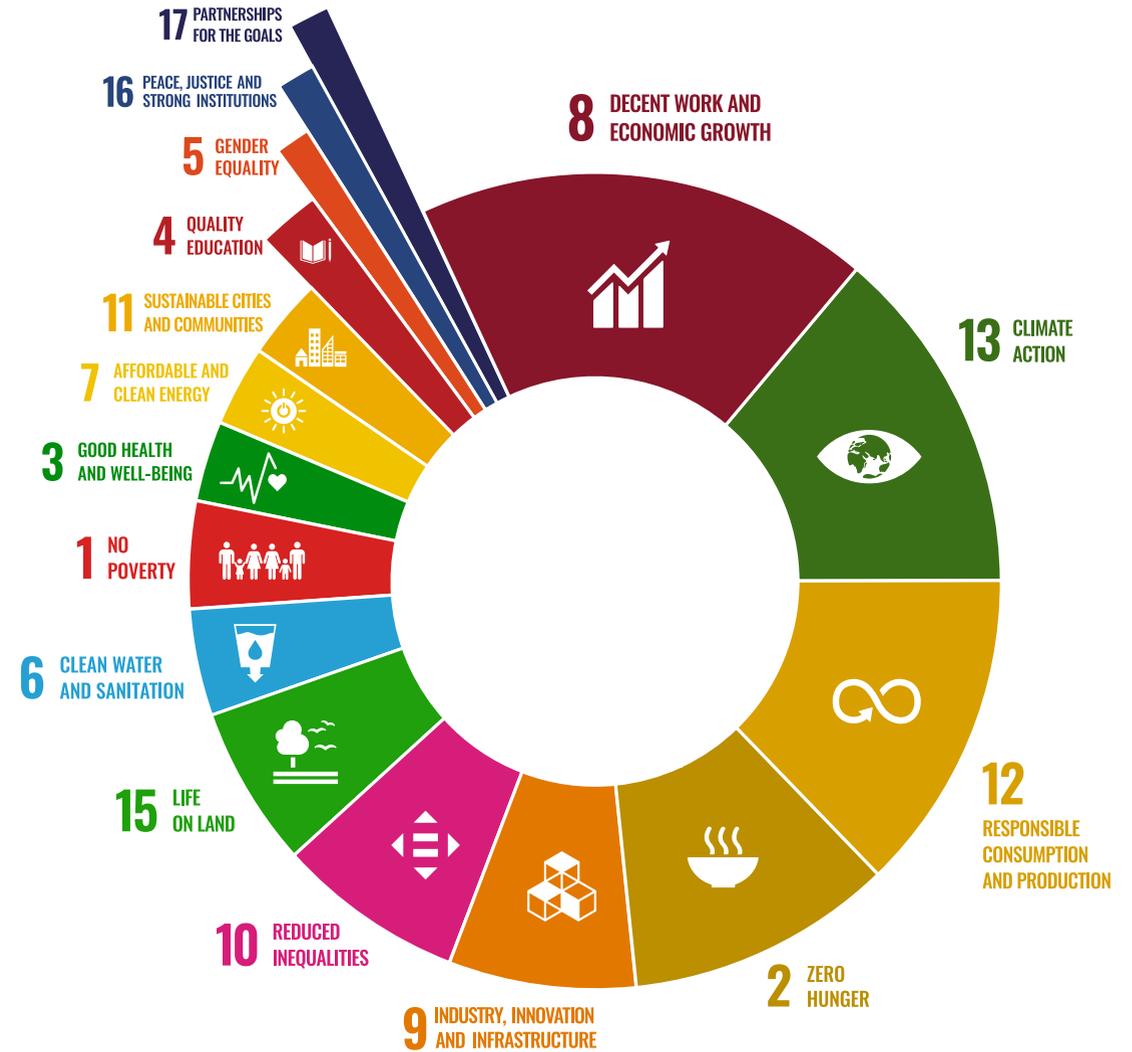
SDG and AGV II Portfolio Alignment



We are **aligned with the SDGs** by leveraging innovations toward solving some of the most pressing challenges.



We have an impact portfolio aligned with the SDGs "



SDG and AGV II Portfolio Alignment

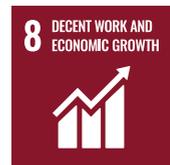


We have an impact portfolio aligned with the SDGs ”



We are **aligned with the SDGs** by leveraging innovations toward solving some of the most pressing challenges.

Combining our strategic pillars of impact and ESG criteria, our investees intensely address:



SDG8
Decent work and economic growth



SDG13
Action against global climate change



SDG12
Responsible consumption and production

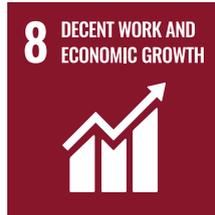


SDG2
Zero hunger and sustainable agriculture

SDG and AGV II Portfolio Alignment



We have an impact portfolio aligned with the SDGs ”



**Decent work
and
economic
growth**

**17
INVESTEES**

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead

8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

SDG and AGV II Portfolio Alignment



We have an impact portfolio aligned with the SDGs ”



**Climate
Action**

**13
INVESTEES**

13.1

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

13.3

Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning



**Responsible
Consumption
and
Production**

**12
INVESTEES**

12.2

By 2030, achieve the sustainable management and efficient use of natural resources

12.3

By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

12.4

By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.8

By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

12.a

Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production

SDG and AGV II Portfolio Alignment



We have an impact portfolio aligned with the SDGs ”



**Zero
Hunger**

**10
INVESTEES**

2.3

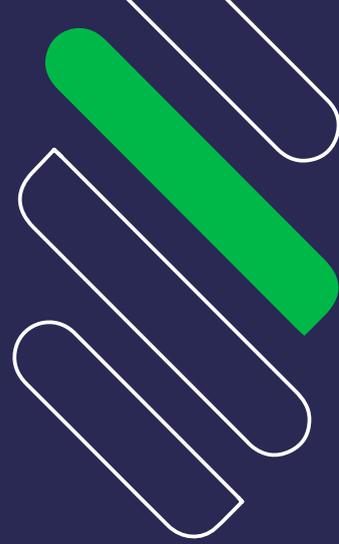
By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment

2.4

By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality

2.a

Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries



Context



Climate change challenges

The upheavals of 2023 have underscored the precariousness of the global agriculture and food system. The repercussions of the pandemic and geopolitical conflicts have strained supply chains, causing spikes in commodity, fertilizer, and energy prices.

Concurrently, **the escalating frequency of extreme climate events, including floods, droughts, and premature frosts, has resulted in food shortages, emphasizing the pressing need to address agriculture's susceptibility to climate change.**



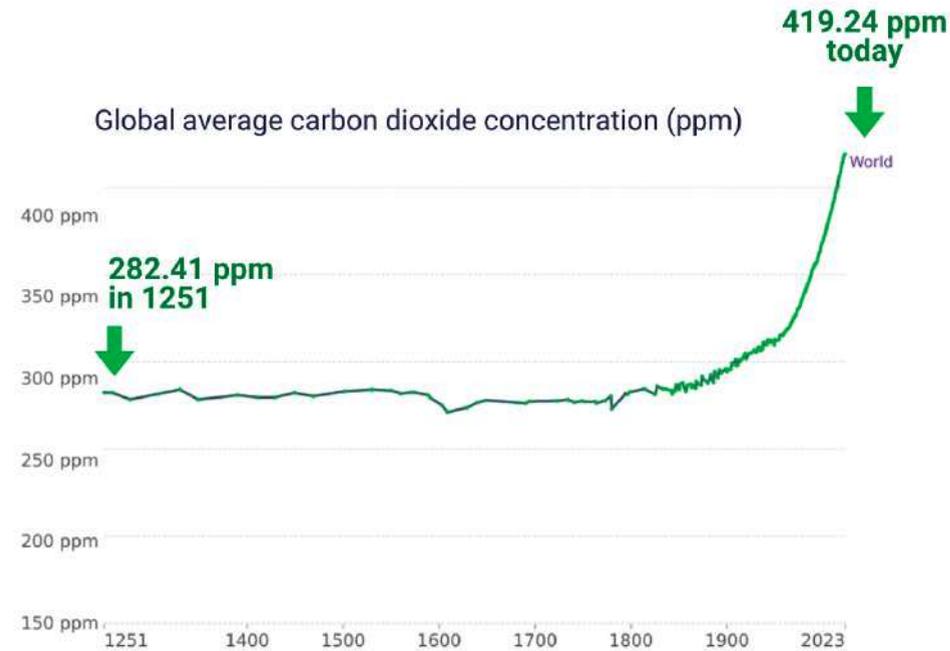
Climate change is not a distant threat; it is an ongoing crisis that necessitates immediate intervention.

Human activities, particularly over the past century, have swiftly escalated global carbon dioxide concentrations, propelling temperatures to unprecedented levels.

This has, in turn, led to more frequent and severe extreme weather events, inflicting billions of dollars in damages. From 2017 to 2020, approximately 3,350 extreme weather events were recorded, causing a staggering \$885 billion in damages. The urgency to address these issues and fortify the agricultural sector against climate change is paramount.

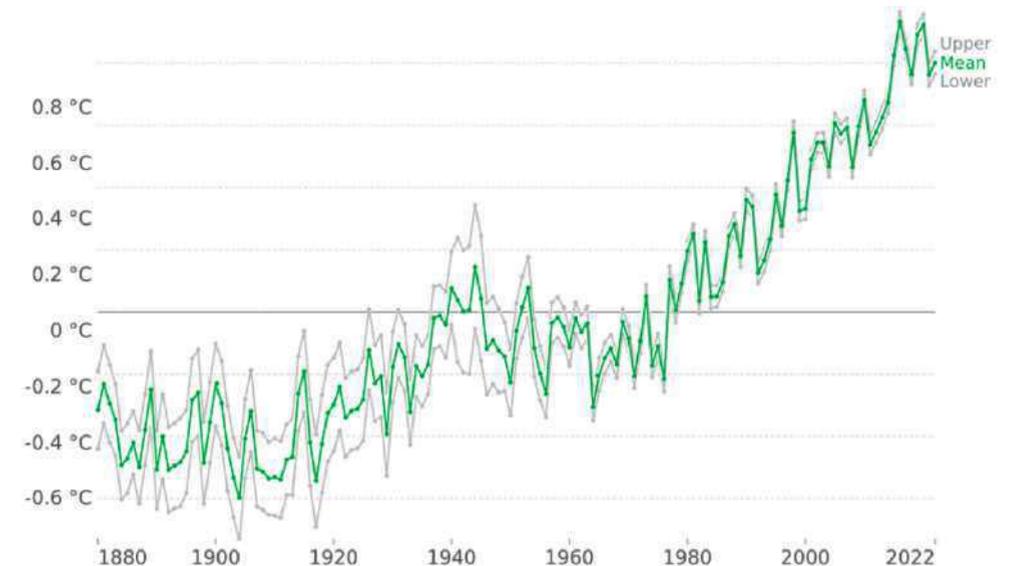
Climate change challenges

Global average carbon dioxide concentration (ppm)



The earth will get warmer with the global average temperature continuing to climb

The global average temperature in 2020 reached 14.9°C, 1.2°C higher than the average for 1850 - 1900



Source: Hadley Center - CO2 and Greenhouse Gas Emissions; Hannah Ritchie and Max Roser, Our World in Data (2019).

Climate change and food insecurity

Agriculture stands as the major industry most vulnerable to climate change, facing both direct and indirect impacts. Directly, abrupt shifts in temperature, variations in rainfall, heatwaves, and hurricanes are exerting immense pressure on global agricultural production systems, jeopardizing food security.

The Intergovernmental Panel on Climate Change (IPCC) warns of significant reductions in the yields of major crops—wheat, rice, corn, and soybeans—for every one-degree Celsius increase in the global mean temperature. **Moreover, elevated CO2 concentrations diminish the nutritional quality of crops, posing a threat to the health of around 600 million people. Indirectly, the proliferation of pests and diseases is also adversely affecting agricultural production systems.**



Climate change and food insecurity

Unless actively mitigated, greenhouse gas (GHG) emissions from agriculture are expected to escalate with the projected increase in global food demand.

This surge is attributed to the intersection of a growing global population, anticipated to reach:



**9.7 billion
people
by 2050**

*and an elevated
calorie-per-capita
consumption*

Source: Oliver Wyman analysis.



**To meet this
demand, a 60%
increase in
food production
is required,**

resulting in substantial rises in GHG emissions and other environmental impacts.

Addressing these challenges is crucial for the sustainability of agriculture and the broader global food system.

Climate change and food insecurity

These events make it increasingly difficult to achieve the UN 2030 sustainable development agenda and fulfill the international community's commitment to ending world hunger, a goal that remains distant as approximately

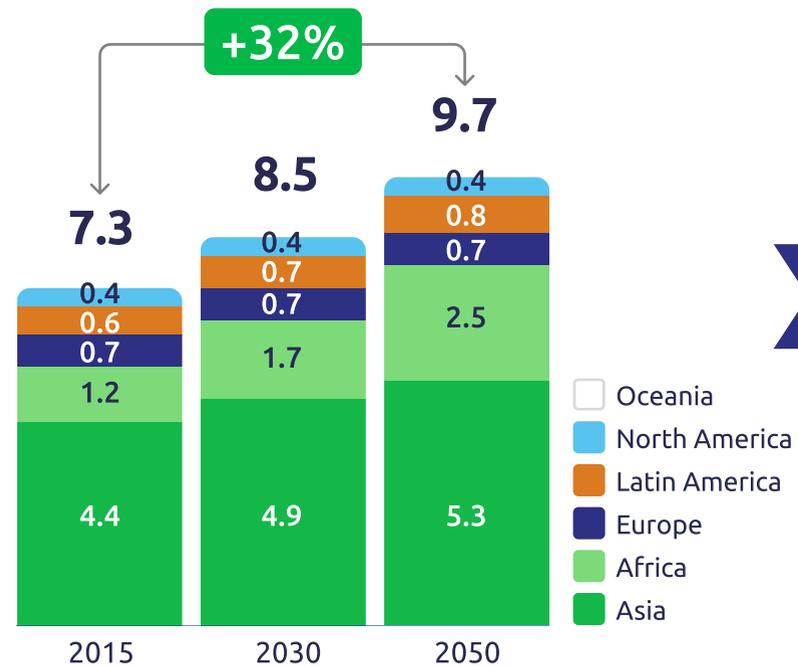


800 million people

worldwide suffer from food insecurity

Source: Oliver Wyman analysis.

Global population



Grain production

More than **1 billion tons** of grains are needed per year



Meat production

Meat production needs to **grow by 74%**



Land

More than **120 million hectares** arable land is needed



Water

Water use for irrigation will grow by **11%**



Per capita calorie consumption

The world's average daily calorie availability is projected to **rise from 2.789 kcal per person per day in 2000 to 3.130 kcal per person per day in 2050**, a 12 percent increase

Source: UN Department of Economic and Social Affairs (2019), The World Population Prospects; FAO, Global Agriculture Towards 2050; literature search; BCG analysis. Note: Due to rounded number, the sum may not equal to total amount.

Challenges for food security

Population growth will boost demand for food

The global population is anticipated to rise significantly, potentially reaching



10.9 billion by the year 2100

This surge in population will inevitably escalate the demand for food, particularly in scenarios of even modest economic growth. Concurrently, the global dietary landscape is undergoing a transformation due to demographic shifts. There is an increasing appetite for high-value animal protein, influenced not only by natural population growth but also by urbanization and the upward trajectory of incomes, predominantly in developing countries.

Population Growth = Higher Demand For Food



9.7 billion
world population
in 2050

= 60%



More food to be
produced by farmers

Urbanization drives change in consumption pattern



36.4 kg
processed food and meat annual
per capita meat consumption 1997 - 1999



45.3 Kg
processed food and meat annual
per capita meat consumption 2030

Challenges for food security

Current uses of natural resources are highly stressed

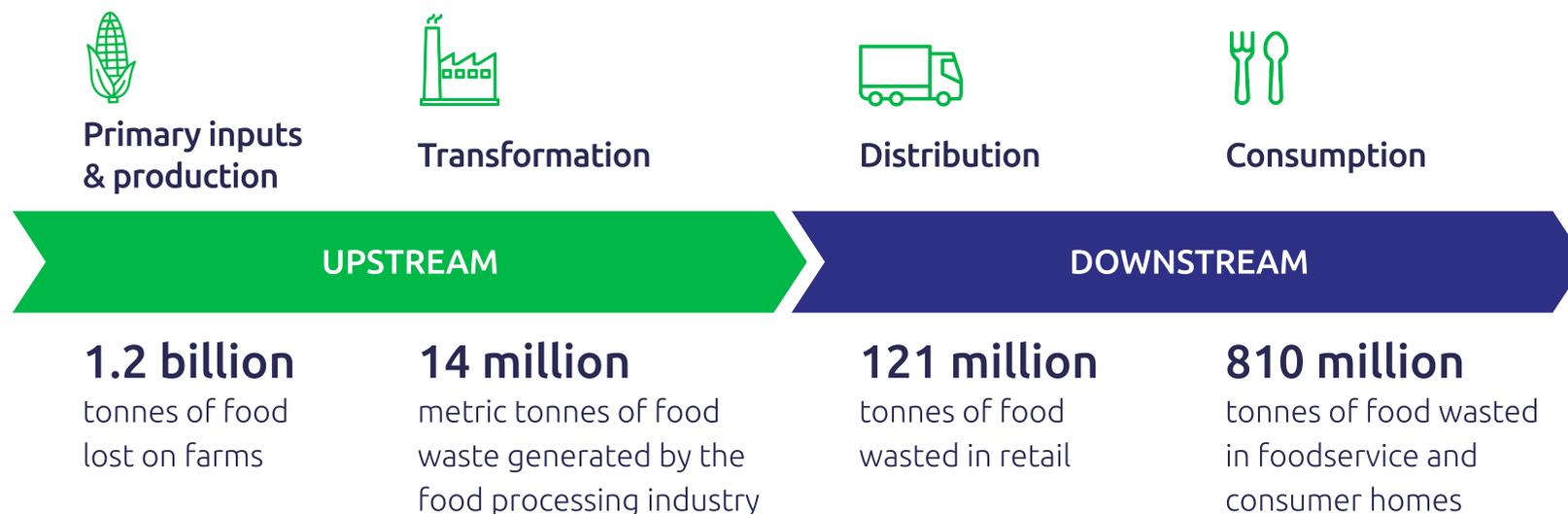
The sustainability of the world's farmland is increasingly compromised, with 25 percent already classified as highly degraded and an additional 44 percent considered moderately or slightly degraded, according to an Oliver Wyman analysis. Water resources face significant strain, impacting over 40 percent of the global rural population residing in water-scarce areas.

Food waste is a massive market inefficiency and an environmental threat

Globally, an estimated one-third to one-half of all produced food goes to waste, translating to over US\$1 trillion in discarded food. To put this into perspective, food waste in the United States alone represents 1.3% of the total GDP. This level of inefficiency is not commonly observed in other industries.

Food Waste Challenge Across the Supply Chain

Source: UNwater, UN, Our World in Data, FAO, Openresearch, Science Direct, IDF, WHO, BCG, Royal Society Publishing, UNEP.

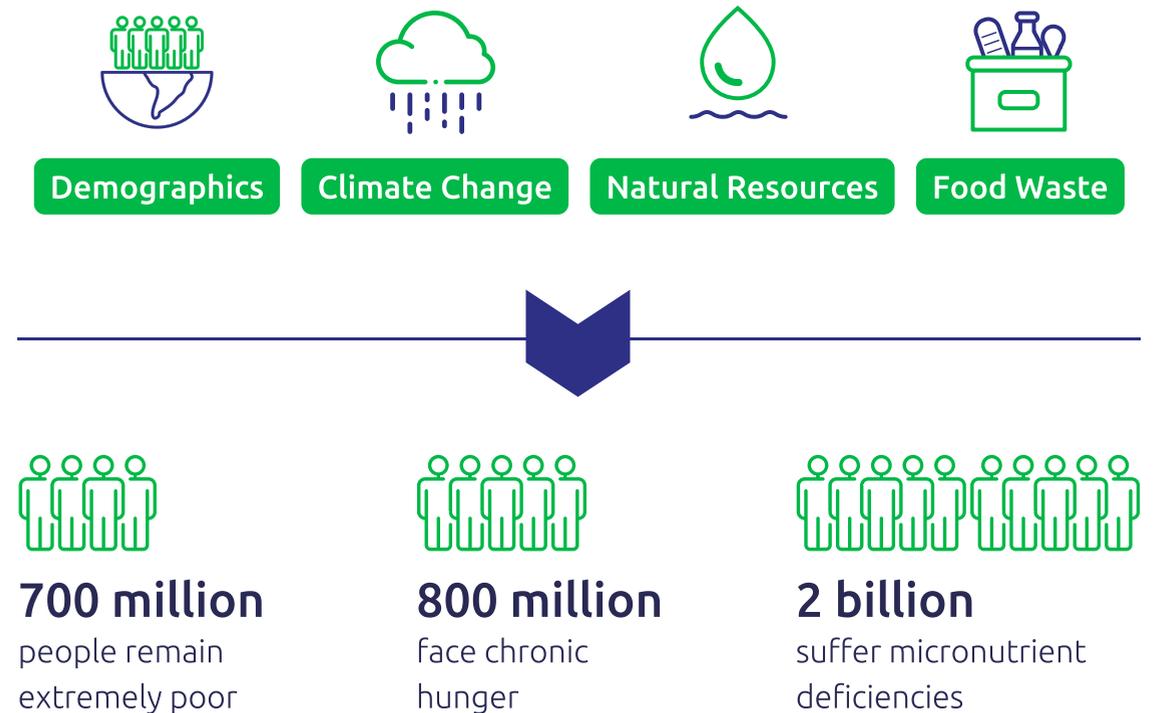


Challenges for food security

The outcome: poverty and food insecurity

Demographic factors, natural resource scarcity, food waste, and climate change collectively contribute to global food insecurity, leading to poverty and famine. Millions of people worldwide experience extreme poverty and chronic famine. Micronutrient deficiencies affect two billion individuals.

A substantial portion of those affected reside in rural areas of developing countries, while others grapple with political crises and violent conflicts, eroding social safety nets. These challenges impede individuals' access to the necessary food and resources for sustaining healthy, stable lives.



Source: Oliver Wyman analysis.

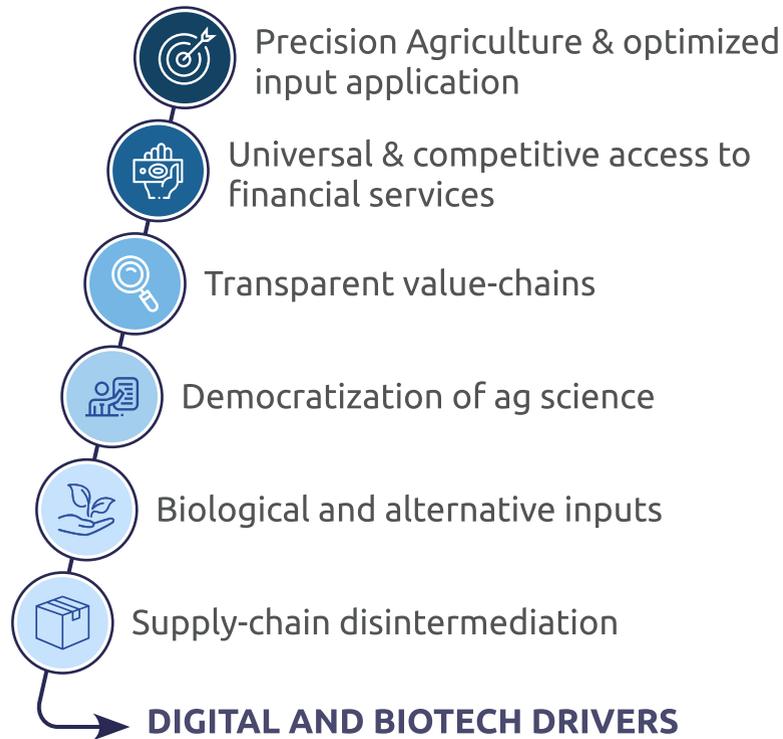
Sustainable AgFood value chain as a solution



The path to a low carbon & climate resilient agriculture”

Through technological breakthroughs & productivity leaps... >

> ... we achieve food security, lower GHG emissions and higher margins for farmers



- Increased productivity per acre, less waste and deforestation
- Higher profitability for small and medium growers
- Lower carbon footprints of core food staples
- Better adoption of technology and dissemination of best practices
- Radicle reduction in chemical crop-protection and fertilizer inputs
- More resilient, transparent and efficient supply-chains

ENTREPRENEURSHIP + TECHNOLOGY + PRODUCTIVITY



AGRICULTURE KEY POSITIVE IMPACT VECTOR

Sustainable AgFood value chain as a **solution**

Innovation in the agricultural sector is crucial for addressing climate change, providing solutions that enhance sustainability and resilience.

1. Precision Agriculture Technologies:

Advanced monitoring systems, such as drones and sensors, facilitate more efficient management of agricultural resources, reducing waste and minimizing environmental impacts.

2. Sustainable Agricultural Practices:

Innovations in practices like regenerative agriculture and no-till farming promote soil health, erosion reduction, and increased carbon capture, contributing to climate change mitigation.



Sustainable AgFood value chain as a **solution**

Innovation in the agricultural sector is crucial for addressing climate change, providing solutions that enhance sustainability and resilience.

3. Development of Resilient Crops:

Genetic research and plant breeding techniques focus on creating crops resistant to extreme weather conditions, ensuring food security despite climate change challenges.

4. Water Use Efficiency:

Innovations in smart irrigation systems and water-efficient technologies address issues related to water scarcity, a growing concern due to climate change.

5. Renewable Energy in the Field:

Adopting renewable energies, such as solar and wind, to power agricultural operations reduces reliance on fossil fuels, leading to decreased greenhouse gas emissions.



Sustainable AgFood value chain as a **solution**

Innovation in the agricultural sector is crucial for addressing climate change, providing solutions that enhance sustainability and resilience.

6. Sustainable Supply Chains:

Tracking and certification innovations create transparent and sustainable supply chains, encouraging environmentally responsible agricultural practices.

7. Storage Technologies:

Innovative post-harvest storage solutions, like airtight silos and efficient refrigeration technologies, minimize food losses and reduce the need for additional harvests, contributing to food security and waste reduction.

8. Data Integration and Artificial Intelligence:

Advanced data analysis and artificial intelligence enable more accurate climate predictions, assisting farmers in preparing for adverse conditions and making informed decisions.

By investing in and promoting these innovations, agriculture can play a pivotal role in mitigating the impacts of climate change, **fostering a more sustainable and resilient sector as environmental conditions evolve.**

Inovation in the AgFood value chain

Various subsectors, often overlooked, play a crucial role in building a more sustainable and resilient food system.



Agri-Fintech

Agri-Fintechs play a crucial role in enabling and enhancing climate resilience and promoting the adoption of more efficient and sustainable practices. Small- and medium-scale producers, being particularly vulnerable to the impacts of climate change, greatly benefit from access to credit. This access allows them to adopt technologies that boost productivity, reduce reliance on chemicals, and improve resilience in the face of extreme weather conditions.



Biological

Biological alternatives to chemical and nitrogen use are crucial tools for enhancing soil health, reducing dependence on synthetic products, and increasing agricultural productivity. Simultaneously, the biologics industry has been investing in solutions aimed at regenerative agriculture, directly impacting the enhancement of climate resilience.

Inovation in the AgFood value chain

Various subsectors, often overlooked, play a crucial role in building a more sustainable and resilient food system.



Management Systems

Empowering producers to make informed decisions, management systems play a crucial role in enhancing efficiency and productivity, ultimately leading to a reduction in greenhouse gas emissions. Furthermore, armed with detailed information about their farms, producers can closely monitor the impact of climate change on their land and adapt their practices more effectively.



Marketplaces

The significant inefficiencies in the supply chain result from an excess of intermediaries. This structure not only impacts product prices but also leads to increased greenhouse gas emissions and higher rates of food and product losses. Marketplaces address these inefficiencies, playing a crucial role in establishing a fair supply chain, reducing food loss rates, and lowering emissions.

Innovation in the AgFood value chain

Agri-food innovation has an important role in the demarginalization of the rural population



Job Creation

Agribusiness, by investing in more efficient technologies and practices, can generate more jobs in the field. This not only provides employment for the rural population but also contributes to the improvement of living conditions.



Development of Rural Communities

Agribusiness can play a crucial role in the development of rural communities by providing infrastructure and access to basic services and contributing to the creation of more sustainable and inclusive environments.



Knowledge Transfer

Modern agribusiness involves advanced practices in management, technology, and sustainability. Transferring knowledge and technology from the sector to the rural population can empower local communities to improve their agricultural practices and increase productivity.

Inovation in the AgFood value chain

Agri-food innovation has an important role in the demarginalization of the rural population



Market Access

Integrating small farmers into agribusiness can provide access to broader markets and, consequently, increase the income of rural communities. This can be achieved through partnerships, cooperatives, or agricultural development programs.



Environmental Sustainability

Agribusiness can also play an important role in promoting environmental sustainability. Sustainable agricultural practices help preserve natural resources and ensure long-term productivity, benefiting both farmers and the environment.



SP ventures ESG and Impact Journey



We aim to foster an **innovation-friendly** atmosphere that emphasizes ESG



Felipe Guth

PARTNER AT SP
VENTURES

“

SP Ventures recognizes its role as a benchmark investor in venture capital for the agribusiness sector and is committed to nurturing the ecosystem and establishing best practices. Following a period of structuring its ESG strategy journey, which has now reached a mature stage, 2023 was focused on knowledge acquisition and strengthening to support the ecosystem.

Thus, SP Ventures aims to be a catalyst for ESG topics within its sphere, participating in events to assist its portfolio companies in positioning themselves, as well as engaging in discussion groups and partnering with organizations like GIIN and Scale X for training programs.

These initiatives are intended to enhance knowledge and, consequently, introduce new insights into the ESG journey undertaken by SP Ventures and its portfolio companies.

For 2024, the main objective of SP Ventures is to continue the journey with investees, which has so far delivered great results, and expand ecosystem actions. Through these efforts, we aim to foster an innovation-friendly atmosphere that emphasizes ESG, thereby raising awareness about this critical issue and cultivating a fertile environment for disruptive innovation. This will, in turn, help tackle the pressing challenges of climate change and food security.

”

SP Ventures **ESG journey** 2023

Walking the talk – internal investments in our team's development and our ESG journey

SP Ventures aspires to be a role model in ESG practices and positive impact generation within both its management and its portfolio. To attain this goal, we consistently dedicate efforts to enhance our internal practices.

We ensure that our team is well-informed about our ESG strategy, comprehends the significance of the subject, and acts as knowledge disseminators within the ecosystem.

Our commitment includes active participation in leading discussion groups, contributing to shaping the agenda, and maintaining a prominent position in the forefront of ESG initiatives.



SP Ventures **ESG journey** 2023

Walking the talk – internal investments in our team's development and our ESG journey

In 2023



Internal governance

All internal policies were reviewed, and new policies were created:

- Diversity and Inclusion policy
- Human Resources Policy



Team's development

All teams received the following trainings:

- ESG (2 hours)
- Climate and Carbon markets (6 hours)
- IFC PS trainings



Events and groups

Seeking more active participation in the impact discussion:

- GIIN (Global Impact Investment Network)
- CFIN (Climate finance investment network)
- COP28



Share knowledge

Looking to fulfill our role as ecosystem developers:

- Climate and carbon market class to university students
- Climate risk talk with Capria portfolio funds
- Impact investing with WIPO UN Team

SP Ventures at COP 28

The role of innovation in building a climate resilient foodsystem

SP Ventures marked its inaugural presence at COP in 2023 in Dubai.

Alongside the heightened expertise of SP Ventures in ESG and Impact topics, the selection of COP28 was driven by the increasing relevance of the topic of food security. Notably, **COP28 dedicated days to exploring the nexus between food insecurity and the impacts of climate change—an integral focus for SP Ventures' investment premise and the central theme of the AGVentures III Climate Fund, currently in the fundraising stage.**

Engaging in discussions with the public, private, and financial sectors is paramount to ensuring collective progress. **A key takeaway from COP28 was the emphasis on climate adaptation and resilience.**

Despite being so close to 2050, yet so distant from the UN's 1.5-degree targets, the imperative to work toward food security, uphold productivity, and adopt more sustainable practices in the food system is critical for humanity. To tackle these challenges, we recognize the necessity for new technologies and innovation across the entire chain.



SP Ventures at COP 28

The role of innovation in building a climate resilient foodsystem

We assert that investing in the implementation of field technologies, alternative inputs, and facilitating access to credit is vital in this adaptation journey. When extending our view beyond the farm gate, there is a need to pursue more efficient disintermediation processes for supply chains and foster a fairer supply chain that empowers both small- and medium-scale producers to enhance resilience and reduce vulnerability, while ensuring universal access to food.

Following our participation in COP28, we are committed to coordinated and structured actions that collectively address these challenges. **We are optimistic regarding international support and the backing of multilateral banks in the pursuit of climate resilience and adaptation. Most significantly, there is evident momentum in supporting the development of a more sustainable agriculture.**



Scale X Journey



Juliana Podestá

HEAD OF ESG AND IMPACT
AT SP VENTURES

“

In 2023, SP Ventures had the opportunity to participate in the SCALE X program, a collaborative initiative by IFC in partnership with Value for Women. Over the course of this 9-month program, we had the unique opportunity to explore the development of an impactful diversity strategy, extending its application not only within our organization but also throughout our portfolio and the broader ecosystem.

As a tangible outcome of this program, we crafted a personalized roadmap that delineates our actionable commitments to diversity. This strategic roadmap positions us to be a more dynamic portfolio manager in the realm of diversity and inclusion. Throughout the program's duration, we engaged in insightful discussions with industry peers and experts, covering various aspects such as enhancing practices in deal origination to attract women founders, refining due diligence processes, mitigating biases in investment prospecting,

implementing more effective engagement strategies, and integrating diversity considerations into our investment exit strategy.

Much like any transformative journey, our approach is gradual and deliberate. Leveraging the existing practices that contribute to fostering inclusive and diverse environments within our investments, we are now directing our efforts toward refining internal deal origination and evaluation processes to enhance attractiveness and reduce biases. Moreover, we are collaboratively developing a diversity strategy with the companies within our portfolio.

This marks just the beginning of our journey. The active involvement not only of the Head of ESG and Impact but also the General Partner and the Investment Team in this process positions us to evolve comprehensively, with steadfast support from our leadership.

”

ESG Journey Portfolio Development



ESG Journey

SP Ventures has embraced a **collaborative approach**, engaging in the **assessment of maturity levels** for each investee and **jointly constructing** a developmental strategy for the social, environmental, and governance pillars individually.

In this process, we meticulously examined **market demands**, assessing their **applicability to early-stage** technology companies and identified potential risks.

This thorough evaluation formed the foundation for our "**ESG Journey**," guiding the strategic direction for each company in our portfolio. This shift in approach has led to **heightened engagement** with the portfolio, fostering greater alignment between the ESG and Impact agenda and the overall **business strategy**.



Collaborative approach



Assessment of maturity levels



Jointly constructing



Market demands



Applicability to early-stage



ESG Journey



Heightened engagement



Business strategy

ESG development methodology

ESG portfolio development plan

Based on the best market practices and the level of maturity of the Venture Capital sector in ESG, we structure a base journey to work with each investee.

It was built seeking to ensure robust governance, risk mitigation, measurement of impacts, and transparency.

1st STEP Get the house in order

Policies:
Make sure all the basic policies are in place and easily accessible to stakeholders

Risk identification:
Have a risk process in place and the main risks mapped

General KPIs:
Monitoring of KPIs and transparency

2nd STEP Build a solid foundation

Risk mitigation:
Have mitigation plans for the main risks

Positive impact identification:
Understand the positive impacts of the business and how to maximize them

Specific impacts KPIs:
Define specific KPIs linked to business value creation

3rd STEP Report to the market

Disclosure:
With robust KPIs in place, it is important to periodically disclose them to the market.

Report:
For clarity of the impacts and risks, an annual impact report should be developed in order to account for their evolution.

ESG development methodology

Co-construction journey



ESG development methodology

1st STEP

Get the house in order

Policies: Make sure all the basic policies are in place and easily accessible to stakeholders

Risk identification: Have a risk process in place and the main risks mapped

General KPIs: Monitoring of KPIs and transparency



Suggest General KPIs- Impact Scalability

ENVIRONMENTAL

- GHG Emissions
- Energy consumption
- Land use

SOCIAL

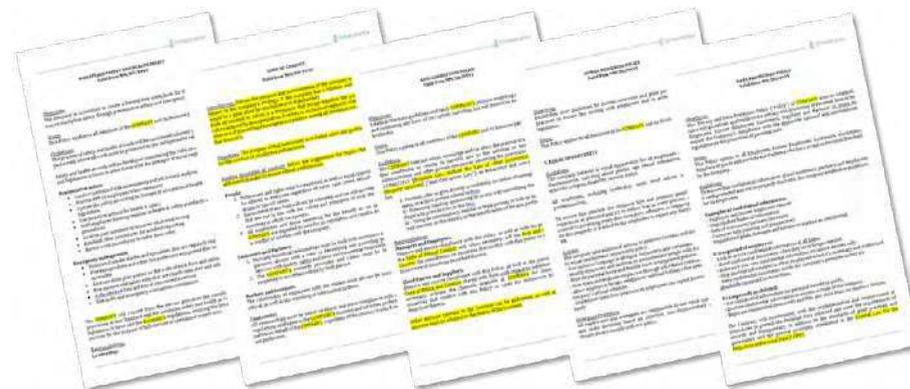
- Employees
- Farmers
- Clients
- Students
- Communities
- Impacted lives

GOVERNANCE

- Management
- Policies
- Grievance Mechanism
- Risk Assessment
- KPIs



Frameworks of the Main Policies



Risk Management based on IFC Methodology

RISK MATRIX

Lawsuits due excessive working hours and lack of overtime payment

Lawsuits due Inadequate wages, benefits and contracts regarding home office

Reputation risks due inadequate working conditions

Loss of market access due to...

Loss of market access due to reputational issues (lack of product and process knowledge)

Loss of market access for reasons of transparency

ESG development methodology

SP VENTURES

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SP VENTURES ESG AND
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ESG JOURNEY
PORTFOLIO
DEVELOPMENT

IMPACT PORTFOLIO

2st STEP

Build a solid foundation

Risk mitigation: Have mitigation plans for the main risks

Positive impact identification: Understand the positive impacts of the business and how to maximize them

Specific impacts KPIs: Define specific KPIs linked to business value creation



Specific KPIs - Impact Measurement (examples)

ENVIRONMENTAL

- Number of preserved trees
- Avoided electricity consumption
- Avoided water consumption

SOCIAL

- Number of impacted communities
- Number of producers with access to the first credit
- NPS in the organization

GOVERNANCE

- % of producers approved in credit assessment
- Number of trained resellers
- Time saved by the producer



Impact and SDG Mapping



Risk Mitigation Plans

RISK	PROBABILITY OF OCCURRING (low-1, medium-2, high-3, extreme-4)	SEVERITY IF OCCURRED (low-1, medium-2, high-3, extreme-4)	RISK PRIORITIZATION (low, medium, critical)	NOTES
What is the risk that has been identified? (Use previous tools to identify risks.)	What is the likelihood that this risk will occur and create negative impacts?	How severe would the potential impacts be, if the risk should occur?	What are the highest priority risks based on the likelihood of occurring and the severity of the impact?	Any additional notes - Mitigation actions
Loss of market access due to reputational issues (lack of product and process knowledge)	3	3	Critical	-Development of clear public materials that explain what carbon credit is, what tokens are and how credible the process is -Publication of articles related to the topic on networks such as linkedin and on Moss's own website -Simplified explanation of the credibility that blockchain brings to the carbon market
Loss of market access for reasons of transparency, as a percentage of revenue going to the community and the project	2	3	Medium	-Develop a transparent tool on revenue distribution for projects and make this information available
Loss of market access due to lack of credibility of the carbon credits/methodologies used.	3	3	Critical	-Development of clear public materials that explain what carbon credit is, how it is generated and the credibility of the standards that Moss use -Only trade carbon credits of recognized standards

ESG and impact portfolio



We seek to direct our thesis and the impact we want to generate”

	CLIMATE CHANGE	SUSTAINABLE LAND USE	EMPOWERMENT	FOOD SAFETY	TRACEABILITY	FOOD LOST AVOIDANCE
Gênica	✓	✓		✓		
Agrofy	✓		✓			
Leaf	✓	✓			✓	
Traive	✓		✓	✓		
Frizata	✓			✓	✓	✓
Agrolend	✓		✓	✓		
Verge	✓	✓	✓			
Aegro	✓	✓	✓			
goFlux	✓					
ZoomAgri	✓	✓	✓	✓	✓	✓
MOSS	✓	✓				
Decoy	✓	✓		✓		
Verqor	✓	✓	✓	✓		
AgroAdvance	✓	✓	✓			
eRural	✓		✓			
puna.bio	✓	✓		✓		
Clicampo	✓		✓	✓	✓	✓

ESG Maturity Evolution



“

We seek to direct our thesis and the impact we want to generate”

ESG Maturity Evolution

Portfolio ESG maturity level

Maturity criteria (25%)	Governance (25%)	Management (25%)	Disclosure (25%)
Alignment with the SDGs	ESMS	Risk assessment	Pitch with ESG
	HR Policies	Mitigation plans	ESG and Impact report
	Data Privacy policy	Impact mapping	
	Code of conduct	General KPIs	
	Anticorruption policy	Specific KPIs	

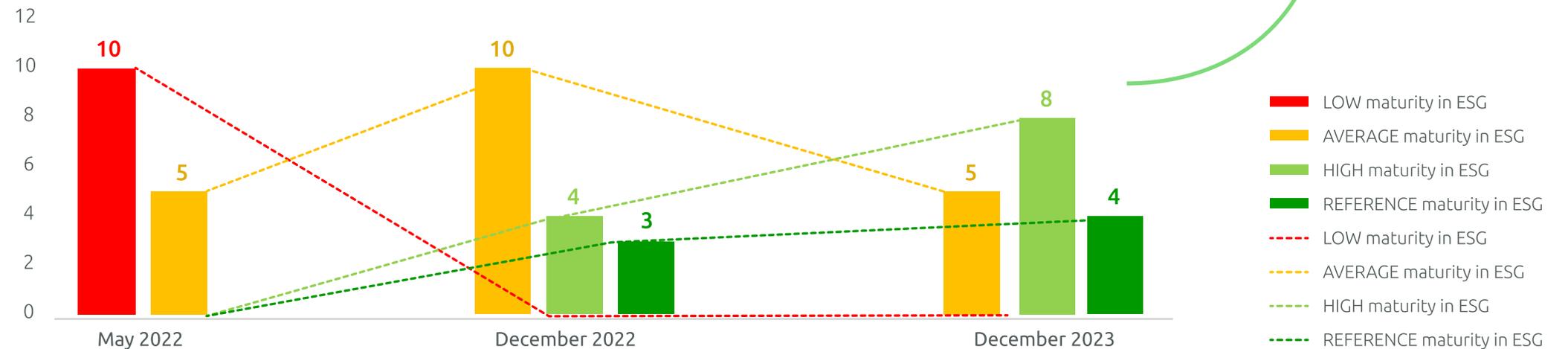
More than

95%

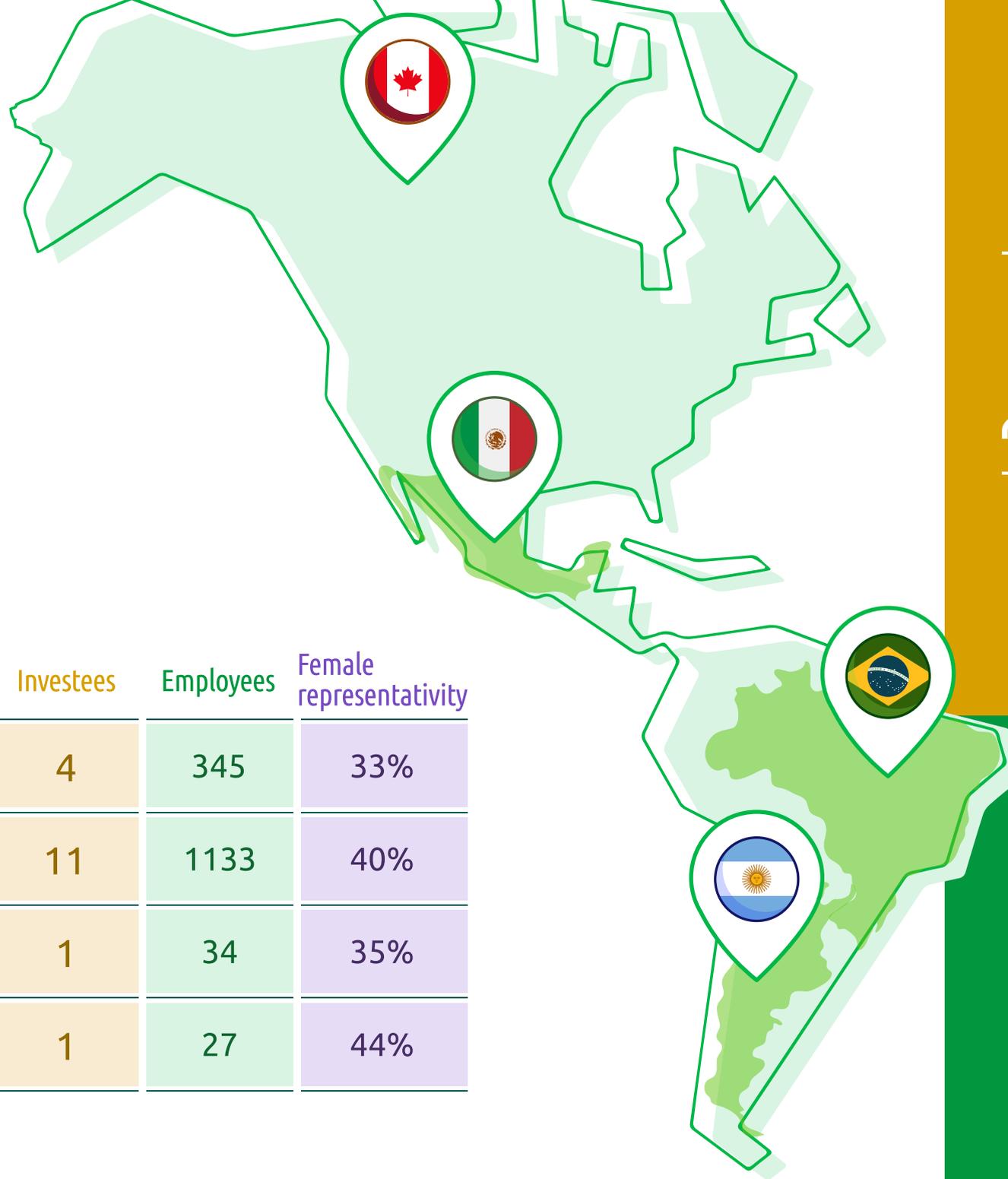
of the portfolio evolved in maturity level throughout the journey

--> 70% achieve High or Reference levels

Number of companies in each maturity stage



Social Profile



	Investees	Employees	Female representativity
Argentina	4	345	33%
Brazil	11	1133	40%
Canada	1	34	35%
Mexico	1	27	44%

40% of investees
with female co-founders

108 women
in leadership
positions

38% of women
composing the teams

SP

4+6
Partners Employees

50%
women on
the team

Environmental and Social Impact

SP VENTURES

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ESG JOURNEY
PORTFOLIO
DEVELOPMENT

IMPACT PORTFOLIO


Number of
hectares
impacted

73.6
million hectares

Area of producers with access to better technologies and credits, enabling the implementation of more sustainable practices.


Loans and credit
evaluation to small and
medium producers

U\$ **870**
million

Volume of credits analyzed and approved by portfolio companies.


Volume of
chemicals and
fertilizer avoided

1,000,000
tonnes

Volume of chemicals and fertilizer avoided through improvements in soil health and alternative inputs.


Shared
knowledge

171
published content

Technical content on best agricultural practices and sustainability developed and disseminated by the invested companies.


Number of
impacted
farmers

220,000
farmers

Number of farmers with access to better technologies and credits.


Number of
lives
impacted

625,000
lives

Number of employees, clients, and farmers impacted by portfolio technologies.

Challenges and achievements



Juliana Podestá

HEAD OF ESG AND IMPACT
AT SP VENTURES

“

“In 2023, our investees navigated a demanding phase, grappling with team changes, navigating challenging funding rounds, and operating in a more critical market environment. Through this process, we observed a notable uptick in the recognition of companies implementing ESG strategies, signaling an even more receptive market for those committed to scaling positive impacts. This led to diverse outcomes within our portfolio. While some companies required a temporary shift in focus toward their ESG journey to aid their development, others flourished by intensifying their efforts in adopting best practices, measuring impacts, and focusing on internal development—a truly commendable achievement.

This year marks another significant milestone in the journey of our portfolio. The increasing maturity and familiarity with ESG topics are evident across all companies, garnering recognition from peers and investors alike. Over the course of the year, some of the portfolio’s

companies formulated their own ESG and impact strategies, gaining a sense of ownership over the agenda. As we encounter numerous challenges, some companies still require additional support and have a journey ahead with SP Ventures. However, their involvement represents a significant victory at this stage. The learning experiences shared between us contribute to our collective evolution, offering lessons that can benefit not only the current portfolio but also future ones.

It is important to highlight that the most significant success observed this year lies in the effectiveness of our collaborative approach, partnership ethos, and guidance, all of which have played pivotal roles in advancing the ESG and Impact agenda across the portfolio. Moving forward, we are committed to remaining a supportive force for our entrepreneurs, continuously evolving and tailoring our strategy to each unique case, all while ensuring a collaborative partnership.

”

What's Next



SP VENTURES

ESG AND IMPACT

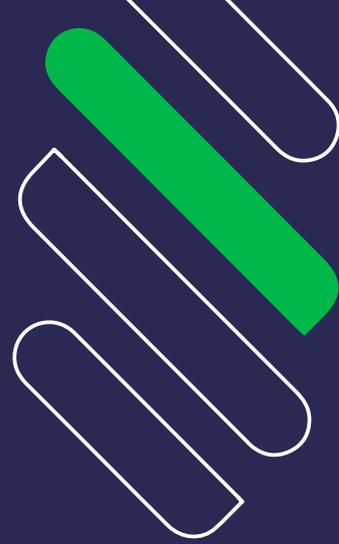
SDGS AND AMBITIONS

CONTEXT

SP VENTURES ESG AND
IMPACT JOURNEY

ESG JOURNEY
PORTFOLIO
DEVELOPMENT

IMPACT PORTFOLIO



Impact Portfolio



GÊNICA

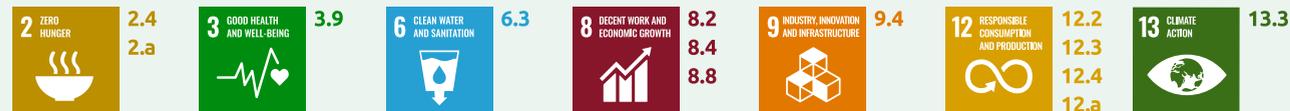
Through the development and distribution of biological inputs, Gênica contributes to more sustainable and regenerative agriculture, catering to both small- and large-scale producers. Its products facilitate the replacement or reduction of the use of chemical pesticides and other inputs, such as nitrogen fertilizers, as part of the transition to a more adaptive agriculture while mitigating the risk of soil and water contamination by chemicals. The adoption of biological inputs has a positive impact on soil health, enhancing productivity and climate resilience. Furthermore, reduced fertilizer use aids in lowering greenhouse gas emissions, aligning with efforts to fight climate change.

In the social dimension, the utilization of biopesticides directly enhances the health of

producers and applicators, as well as the well-being of communities surrounding these operations, by minimizing the risk of contamination from exposure to harmful chemicals. This positive outcome also extends to supporting local biodiversity.

Through its innovative solutions, Gênica plays a pivotal role in promoting regenerative, resilient, and low-carbon agriculture. In tandem with its positive impact strategy, Gênica has dedicated efforts over the past year to enhance the maturity of its internal governance. The company has established an ethics committee, implemented a whistleblower hotline, and developed a comprehensive set of robust policies, guiding both the company and its employees toward best practices.

Alignment with SDGs



Main Impacts

- Reduction in the consumption of chemical pesticides and inputs
- Reduction of the risk of soil, water, and biodiversity contamination
- Reduction of producer and community exposure to chemicals
- Productivity increase
- Climate resilience and adaptation
- Climate change mitigation
- Increased food security



Impact KPIs suggested

- Volume of chemicals and fertilizer avoided
- Number of hectares impacted
- Number of crops impacted
- Number of impacted producers
- Avoided GHG emissions
- Area with more resilience practices



Highlight

- Grievance mechanism
- Ethic committee
- Internal governance and policies

GÊNICA

The use of technology for the adoption of regenerative systems.

With the aim of promoting and supporting the adoption of regenerative agriculture, Gênica has created the Regenera program, a key component in transitioning producers of all sizes to more sustainable agricultural practices.

The program was developed to contribute to the implementation of regenerative systems and consists of three pillars: diagnosis, training, and capacity-building for individuals involved in the field and production system, along with a robust portfolio of technologies that facilitate the transition, including biological inputs, bio-stimulants, and cover crops.

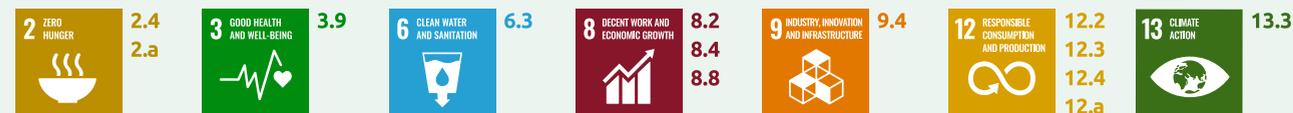
By participating in the program, the farmer enters into a three-year contract. With the support of the previously mentioned pillars and

the coordinated adoption of technologies, the farmer achieves improvements in production efficiency, increased productivity, and reduced costs in the pesticide line. Simultaneously, there is an increase in biological diversity, enhancing pest management.

In addition to the direct impacts on production, the adoption of regenerative systems contributes to soil health, climate resilience, and even the reduction of greenhouse gas emissions due to increased productivity and reduced losses.

The program began in 2021 and, by the end of 2023, already has clients of all sizes, ranging from small-scale producers to large industrial ones. In 2023, we celebrate the enrollment of more than 50 producers, covering both small and large operations.

Alignment with SDGs



decoy

Through the development and distribution of biopesticides, Decoy actively contributes to a more sustainable livestock sector, serving both small- and large-scale producers. Decoy's solution facilitates a reduction in the use of chemical pesticides, promoting animal welfare and increasing productivity per unit area, ultimately leading to a final product with a smaller carbon footprint. Biological alternatives, like Decoy's product, play a crucial role in climate resilience, addressing the growing incidence of pests and the imperative to decrease reliance on chemicals.

Moreover, Decoy's innovative production model emphasizes resource efficiency, demanding

lower volumes of water and energy compared to traditional methods. This not only diminishes the environmental impact of its products but also mitigates the risks of contamination.

Furthermore, the utilization of biopesticides directly influences the well-being of producers and consumers, minimizing exposure to harmful chemicals found in common pesticides on the market and reducing the quantity of discarded food due to chemical exposure. In tandem with creating a positive impact, Decoy is actively enhancing its ESG maturity. Alongside a robust governance framework, the company is quantifying its positive impacts to enhance transparency within the market.

Alignment with SDGs



Main Impacts

- Reduction in the consumption of chemical pesticides and inputs
- Reduction of the risk of soil, water, and biodiversity contamination
- Reduction of producer and community exposure to chemicals
- Productivity increase
- Climate change mitigation
- Climate resilience
- Increased food security



Impact KPIs suggested

- Volume of chemicals avoided
- Number of hectares impacted
- Number of animals applied
- Number of impacted producers
- Volume Food loss avoidance
- Volume of water and energy avoided



Highlight

- Positive impact mapped out
- Impact KPIs
- ESG working group
- New products prospective to climate resilience



Lessons learned and different approaches along the ESG Journey

Throughout its ESG journey, Decoy has undergone several transformations in its approach to the ESG agenda in collaboration with SP Ventures, learning valuable lessons along the way. Adapting at each stage, the agenda initially fell under the direct purview of the founders. Subsequently, it involved the leadership of the HR department to execute the governance vision, with the regulatory department taking charge of assessing social and environmental risks. As we reached the stage of understanding positive impact generation and metrics, the company chose to establish a working group composed of

HR, R&D, Finance, and regulatory teams.

The creation of this group was crucial for comprehending the business as a whole and the real impact of its operations and products. In addition to the group's insightful discussions, it facilitated a revision of the company's narrative, the identification of relevant impact KPIs (considering operational indicators and developing new rationales), and the attainment of a more solid vision of the company's role in fostering a more sustainable agricultural sector and ensuring food security.

Alignment with SDGs



As a result of the product testing phase:

Decoy served over 200 producers, impacting a total of 89K animals, 1.6K people, and more than 7,500 hectares.

It prevented approximately **1,000 liters** of chemical pesticides from being used and avoided the disposal of over **700K liters** of milk.



By digitizing the process of buying and selling livestock and genetics, E-Rural not only contributes to better governance in the sector, but also to animal welfare.

By bringing technology to the process, it is possible to avoid transporting animals to auctions, which reduces animal stress and health risks, in addition to reducing GHG emissions in the chain.

This evolution also allows a significant cost reduction to the producer, which includes transport costs, insurance, and animal weight loss, making transactions more inclusive, safer, and less risky.

Along with the governance that E-Rural brings to the market, it has been evolving its internal governance and working to disseminate best practices in the sector through its customers and partners.

Alignment with SDGs



Main Impacts

- Greater governance and compliance in transactions
- Greater security for the producer
- Cost reduction
- Improved animal welfare
- Climate change mitigation
- Producer empowerment



Impact KPIs suggested

- Number of 100% digital transactions
- Cost reduction for the producer
- Number of small and medium producers
- Number of impacted producers
- Number of animals managed with best practices



Highlight

- Diligence of all buyers and suppliers registered on the platform
- Partnership for evaluating customers in environmental criteria



Through innovative technology, ZoomAgri has the potential to enhance the reliability and quality of the entire grain chain, ensuring rapid and highly accurate quality analysis.

In addition to saving hours dedicated to manual analysis, the offered solution provides greater assurance of grain quality, enabling reduced input waste, increased process efficiency, and a final product of higher quality with a smaller environmental impact.

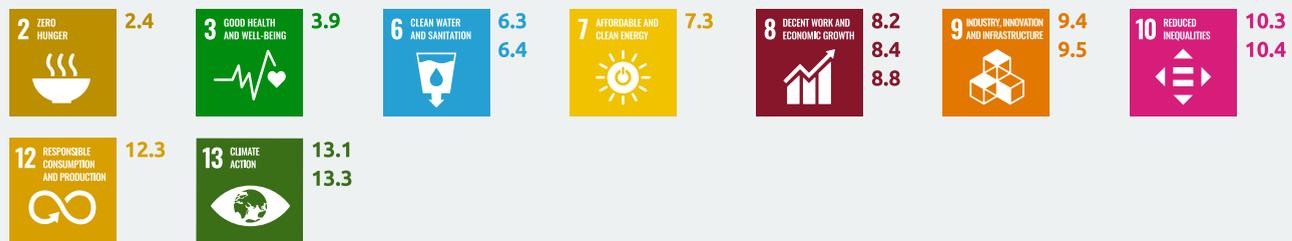
Analyses conducted by ZoomAgri's technology can further mitigate grain waste issues resulting from poor-quality storage, leading to decreased fuel consumption and greenhouse gas emissions associated with processing low-quality raw

materials. If ZoomAgri's solution is applied to seed selection, it could be a pivotal factor in increasing productivity and climate resilience of crops.

Moreover, ZoomAgri introduces a more robust governance model to the sector, contributing to product transparency and traceability while fostering greater fairness in the value chain.

Ultimately, the end consumer benefits from increased assurance regarding the origin of the consumed product, incorporating criteria such as the presence of genetically modified organisms (GMOs) and greater confidence in the quality of the raw material.

Alignment with SDGs



Main Impacts

- Efficiency of processes given the greater guarantee of grain quality
- Economy of inputs (water, energy, and raw materials)
- Climate change mitigation
- Transparency and fair supply chain
- Traceability
- Hours saved in the process
- Waste reduction
- Food safety
- Food security



Impact KPIs suggested

- Avoided GHG emissions
- Avoided water consumption
- Purity of varieties
- Volume of evaluated grains
- Number of customers



Highlight

- Social and environmental risk analysis
- ESMS with company's values
- B Impact Assessment

AGROADVANCE

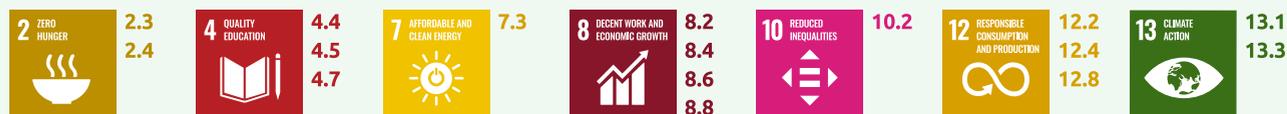
Agroadvance is an Agricultural EdTech with the mission of training professionals for the agribusiness sector, emphasizing the application of best practices for sustainable productivity.

Through its course portfolio, Agroadvance facilitates the entry of individuals into the market and takes actions to provide greater access to the sector through targeted training. Within its portfolio, the company offers management optimization courses and best practices in the field, creating an impact across the entire chain by imparting knowledge that ensures a more sustainable use of inputs, increased efficiency, cost savings,

and a reduction in contamination risks and improper practices related to the application of agrochemicals. Enhanced training for professionals and farmers is crucial for adapting agribusiness to climate change and increasing the resilience of food production under extreme conditions.

As a company committed to people and education, the development of a consistent and conscious culture is pivotal for its success. Over the past year, Agroadvance has invested significant efforts in the development of its employees and the implementation of best practices in people management

Alignment with SDGs



Main Impacts

- Insertion of people in the labor market
- Training of professionals for agriculture
- Sector professionalization
- Evolution of practices in the field
- Optimization of management and use of inputs
- Reduced waste and risk of contamination
- Climate change mitigation
- Climate resilience



Impact KPIs suggested

- Number of students
- Number of client companies
- Number of courses
- Number of shared materials



Highlight

- Inclusion of the ESG theme in Agribusiness courses
- B impact assessment
- Feedback leadership development
- Internal learning programs

Agrofy

Agrofy is enhancing competitiveness and inclusivity in agriculture. Through its platform, Agrofy not only enhances reliability and security for producers but also empowers them to make well-informed decisions by providing access to more competitive prices and facilitating a genuine comparison between different suppliers.

As a marketplace, Agrofy not only eliminates inefficiencies in a chain with many intermediaries but also fosters a fair supply chain by offering more accessible prices and facilitating the

adoption of best practices by small- and medium-scale producers.

Agrofy consolidates various resources and equipment essential in a farmer's life, enabling more efficient and quicker purchases, thus reducing emissions and the time spent traveling to different suppliers. In collaboration with sector governance, Agrofy has established a robust internal governance system that ensures best practices concerning data security and privacy.

Alignment with SDGs



Main Impacts

- Allows for a more competitive market for agribusiness equipment
- Highest reliability and governance in the market
- Fair supply chain
- Greater empowerment of small and medium products
- Gain in hours for producers having a centralized platform
- Climate change mitigation
- Productivity increase



Impact KPIs suggested

- Number of transactions
- Number of producers on the platform
- Number of products offered



Highlight

- Carbon neutral events
- Women empowerment in agribusiness events
- ESMS and social and environmental risk analysis



Through the digitization of agribusiness, Aegro has empowered producers by bringing the management of the farms and their business directly into their hands. This technology enables transparent and visible management, leading to increased efficiency, more effective resource utilization, and cost reduction.

Aegro's solution supports farmers in agricultural planning, inventory control, and plot-specific indicators, enhancing overall agricultural productivity. Consequently, Aegro promotes more sustainable use of land and a reduction in

greenhouse gases. In the face of climate change, management systems become crucial tools. With robust information management, producers can better adapt their practices to changing precipitation patterns and temperatures, enhancing climate resilience and ensuring continued productivity.

Moreover, Aegro's solution aims to assist producers in financial management and access to credit, empowering them and enhancing competitiveness. Through these initiatives, Aegro has played a role in fostering more inclusive agribusiness.

Alignment with SDGs



Main Impacts

- Increased efficiency due to better business management
- More efficient use of inputs
- Climate change mitigation
- Climate resilience
- Producer empowerment
- Cost reduction
- Access to knowledge
- Sustainable land use
- Management of protected areas



Impact KPIs suggested

- Number of small and medium producers
- Number of producers with occurrence at IBAMA
- Managed area
- Number of hired consultants
- Number of assigned credits



Highlight

- Construction of governance committee
- Employee satisfaction level survey
- KPI mapping for customers, suppliers and employees



Agrolend has found a new approach to foster inclusivity in agribusiness by offering credits that mostly benefit small- and medium-scale producers. This initiative, coupled with the local resale of inputs, introduces a fresh governance structure and reliability to the sector. Through its innovative solution, Agrolend empowers small- and medium-scale producers by facilitating access to resources with reduced bureaucracy and increased speed, thereby enhancing security for resellers. The platform also contributes to the development and professionalization of resellers through the training programs it offers. In its ongoing commitment to risk reduction and the promotion of best practices in agriculture, Agrolend implements a thorough evaluation process for both producers and resellers.

This process includes an analysis of labor rights, examination of process history, scrutiny of violation records, and verification of compliance with all necessary regulations. This rigorous approach ensures that credit is extended exclusively to producers who embrace best practices and are free from involvement in labor or environmental violations.

The tools and services provided by Agrolend play a crucial role in the uplifting of rural producers, contributing to their demarginalization. Furthermore, by facilitating the adoption of better practices and the integration of technology in the field, Agrolend actively contributes to enhancing climate resilience within the agricultural sector.

Alignment with SDGs



Main Impacts

- Producer empowerment
- Provision of credit to small- and medium-scale producers
- Improved governance for the sector
- Professionalization of resellers making processes more formalized
- Incentive to producers with best practices
- Climate change mitigation
- Climate resilience



Impact KPIs suggested

- Number of producers
- Number of producers with first access to credit
- Impacted hectares
- Number of resellers
- Number of trained people
- Volume of credits



Highlight

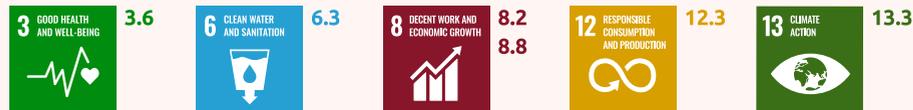
- Social stamp on its second FIDC
- ESG and impact diagnostics
- Part of the Practical Guide to Sustainable Finances in Brazilian Agribusiness by the Global Compact.

Frizata®

Through its solution, Frizata has made access to quality and healthy food more inclusive. By eliminating intermediaries in the chain, it is possible to make prices more accessible, ensure higher quality food, and reduce food safety risks. In addition, by eliminating large chains as intermediaries, it is possible to reduce fuel consumption for the logistics and storage of these foods, thus collaborating with the fight against climate change and food waste.

By making the chain shorter and more efficient, Frizata contributes to product traceability, as well as transparency along the value chain.

Alignment with SDGs



Main Impacts

- More affordable food
- Climate change mitigation
- Reduction of food waste
- Traceability and transparency in the chain
- Food safety and higher quality in the final product



Impact KPIs suggested

- Volume of food produced
- % of waste in the chain
- Number of customers
- Volume of treated effluent



Highlight

- Social and environmental risk analysis
- ESMS
- Internal governance defined for all operating countries



The Leaf solution facilitates centralized management of farms and operations for producers. By integrating relevant systems, it empowers producers with greater autonomy, leading to increased productivity, operational efficiency, and cost savings. A comprehensive view of the entire production process allows for improved inventory control, optimized route planning, and precision guidance in practices like irrigation. This minimizes the unnecessary use of water, fuel, and agricultural inputs such as fertilizers and pesticides.

This advancement in management yields various environmental and social

benefits. It enhances competitiveness for small- and medium-scale producers, fostering more sustainable agricultural practices. The approach mitigates issues like soil compaction, greenhouse gas emissions, and contamination risks, benefiting both the environment and the well-being of workers and communities.

The Leaf API tool plays a pivotal role in democratizing the carbon credit generation process. It streamlines the consolidation of best practice data, reducing the time required from producers and enhancing data traceability.

Alignment with SDGs



Main Impacts

- Producer empowerment
- Greater productivity and efficiency due to the integration of management systems
- More efficient use of inputs and natural resources
- Climate change mitigation
- Reduction in the risk of contamination
- Cost reduction for the producer
- Increased soil conservation



Impact KPIs suggested

- Avoided GHG emissions
- Impacted area
- Hours saved
- Number of impacted farmers



Highlight

- Construction of the Employee Handbook covering all the countries in which it operates
- Socio-environmental risk analysis
- ESMS



goFlux is a transport contracting solution that fosters transparency in negotiations, reducing informality in the sector and enabling a more equitable price comparison with different carriers. The platform model enhances working capital for the carrier, providing increased security and, consequently, impacting the safety of its employees.

Moreover, the platform has an extensive reach in the sector, with significant potential for promoting awareness of good practices and facilitating knowledge sharing.

An example of their practical initiatives is the collaboration with the "Na Mão Certa" program, through which they work to reduce the sexual exploitation of children and adolescents on highways.

To further amplify its positive impact, even though goFlux does not influence routes or fuel consumption, it offers a solution that allows customers to offset the carbon footprint of trips through the platform itself.

Alignment with SDGs



Main Impacts

- Most competitive prices
- Less informality for the sector
- Governance and transparency in the chain
- Greater safety and better conditions for carriers and, consequently, truck drivers
- Carrier awareness with the " Na Mão Certa" program
- Climate change mitigation



Impact KPIs suggested

- Number of carriers
- Number of customers
- Number of journeys
- Number of activations of the program at Mão Certa
- Offset emissions
- km traveled



Highlight

- Strong Governance
- Human right policy
- Diversity policy
- Internal ESG training

MOSS

Moss operates in the carbon market with a commitment to enhancing transparency and traceability. Recognizing the carbon market as a crucial tool for mitigating climate change and meeting corporate objectives, Moss focuses on providing reliable and accountable services.

The company supplies its customers with carbon credits derived from conservation and restoration projects directly managed by Moss. A significant aspect of Moss's recent strategy involves the vertical integration of its business, a measure taken to ensure the credibility and traceability of the credits offered to its customers. Moreover, Moss holds CCB certification for its proprietary projects, underscoring its dedication to prioritizing the social impact on the communities surrounding these initiatives while seeking to maximize positive outcomes.

Alignment with SDGs



Main Impacts

- Mitigation of climate change
- forest preservation
- Protection of fauna and flora biodiversity
- Development of vulnerable communities
- Governance for the sector and guarantee of credit credibility
- Community engagement on climate change



Impact KPIs suggested

- Number of credits generated
- Number of credits sold
- Preserved hectares
- Number of preserved trees
- Number of protected species
- Number of communities



Highlight

- Submission for registration of proprietary projects
- Social impact in the project communities
- Impact metrification

MOSS

Technology as a key tool to the evolution of the carbon market.

Moss is continually striving to enhance the carbon market by leveraging technology to improve the carbon credit process and bolster the market's credibility. Since 2020, the company and its clients have transacted more than 4 million carbon credits.

To support their clients, Moss's tech team has developed an API platform, offering a comprehensive solution to the market. Through API integration, various systems can seamlessly calculate carbon footprints, obtain carbon credits, and offset operations, accelerating offsetting and sales processes in 2023.

Moss Forest, Moss's cutting edge proprietary platform, utilizes machine learning to estimate the carbon credit potential of specific areas by integrating data from over 15 Brazilian public databases. Moss Forest has processed data for more than 75MM hectares across 15.4k properties. This innovative approach is a revolution on the market, as it significantly accelerates project evaluations, reducing the process by months.

Furthermore, Moss's innovative approach not only streamlines data management but also enhances the overall efficiency of processes in the real estate and environmental sectors. By leveraging automated real-estate and environmental reports, coupled with a user-friendly platform for internal report administration and centralization, Moss creates a foundation for a robust data lake within the sector.

In stark contrast to traditional markets characterized by decentralized and disorganized data, Moss's initiatives propel the industry toward a future where the processes are not only faster and more reliable but also wiser and more cost-effective. This transformative shift positions Moss as a trailblazer in ushering in a new era where the convergence of technology and environmental awareness results in a more sustainable and economically viable future.

Alignment with SDGs



1.5



4.a



8.2

8.8



12.2



13.1

13.3



15.1

15.2

15.a



Through its solution, Traive facilitates access to credit for small-, medium-, and large-scale producers. Traive's technology enables a thorough and rapid credit analysis, considering both risk and social and environmental criteria.

The use of AI enhances the speed and traceability of this analysis. Access to credit is crucial for producers to acquire better technologies, improve their management practices, and even adopt alternative inputs, thereby enhancing their efficiency and productivity. This, in turn, contributes to climate resilience

and the reduction of greenhouse gas emissions.

In a bid to promote good practices in agriculture, Traive has a producer evaluation process, ensuring that the assigned credits are directed to producers adhering to best practices and are not associated with labor or environmental violations (including deforestation). Traive further works with a novel governance and reliability structure for the sector, streamlining bureaucracy for producers and fostering connections with major input suppliers in this chain.

Alignment with SDGs



Main Impacts

- Producer empowerment
- Provision of credit to small- and medium-scale producers
- Improved governance for the sector
- Incentive to producers with best practices
- Climate change mitigation
- Climate resilience



Impact KPIs suggested

- Number of farmers
- Number of small and medium producers
- Number of credit ratings
- Impacted area
- Volume of credit made possible



Highlight

- Code of conduct to partners and suppliers
- Construction of mitigation plans
- Internal governance defined for all operating countries

verge

Through its solutions, Verge contributes to the optimization of routes for machinery on farms.

As a result of utilizing this technology, producers achieve new levels of management, productivity, and efficiency. Optimized and automated routes lead to direct savings in inputs through fuel efficiency and, indirectly, by reducing the need for chemicals and fertilizers due to improved soil conditions.

In addition to supporting producer autonomy and empowerment, Verge plays a crucial role in advancing farm management, leading to cost reduction, time savings, and climate change mitigation.

Alignment with SDGs



Main Impacts

- Climate change mitigation
- Cost reduction
- Reduction in the use of inputs
- Increased efficiency and productivity
- Soil preservation



Impact KPIs suggested

- Km saved
- Liter of fuel avoided
- Avoided emissions
- Saved time
- Cost reduction
- Impacted area



Highlight

- Building cases with impact KPIs
- Study of avoided carbon emissions
- Internal governance defined for all operating countries



Through its solution, Verqor facilitates access to credit for small- and medium-scale producers. This access empowers these producers to reach for improved technologies, enhance their management practices, and even embrace alternative inputs, thereby contributing to increased efficiency, productivity, and, consequently, the reduction of greenhouse gas emissions.

Given that small- and medium-scale producers are particularly vulnerable to the impacts of climate change, access to

credit and technology becomes paramount for their resilience against changing temperature patterns, precipitation, and extreme events. Verqor recognizes its role as a promoter of best practices and actively supports producers at their core in adopting regenerative agriculture practices.

Furthermore, Verqor works with a new governance and reliability structure for the sector, reducing bureaucratic hurdles for the producers.

Alignment with SDGs

1 NO POVERTY 1.4	2 ZERO HUNGER 2.3 2.4	8 DECENT WORK AND ECONOMIC GROWTH 8.2 8.4 8.8 8.10	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 9.3	10 REDUCED INEQUALITIES 10.2	11 SUSTAINABLE CITIES AND COMMUNITIES 11.a	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.2
13 CLIMATE ACTION 13.1 13.3						



Main Impacts

- Producer empowerment
- Provision of credit to small- and medium-scale producers
- Improved governance for the sector
- Incentive to producers with best practices
- Climate change mitigation
- Climate resilience
- Transition to regenerative agriculture



Impact KPIs suggested

- Small producers with access to the first credit
- Small producers impacted
- % Increase in producer income
- % increase in nutrients
- Number of producers with Regen Ag practices



Highlight

- First impact report
- B impact assessment
- Regenerative ag materials
- Definition of chain impact KPIs
- Diversity policy



The important role of Agri-Fintech in the transition of Agriculture Through Regenerative Practices.

In the last few years, Verqor has recognized the vast potential of its communication channel with producers in its network and partner companies, identifying it as a powerful tool to disseminate best practices and boost productivity. In 2023, the company chose to focus its efforts on regenerative agriculture, collaborating with its partners to share informative content and case studies related to the impacts of adopting regenerative systems.

The initial strategy involved tangibly addressing regenerative agriculture with producers, sharing practical information, and subsequently extending the knowledge and practices to companies within its network.

The goal is to encourage widespread adoption of this approach throughout the agricultural ecosystem. In the primary material intended for farmers, Verqor provided detailed information about the implementation process, benefits, and challenges, and an encouraging message about long-term gains.

As a complement, two case studies were presented from Verqor's client portfolio, highlighting significant results achieved through the adoption of regenerative practices. Verqor sees the implementation of these best practices as a benefit to both producers and Verqor itself and, equally important, to the environment.

Alignment with SDGs



Success Stories

Maria's Cornfields:

- Before regenerative practices, Maria cultivated 2.5 tons of corn. With regenerative methods, her soil health improved, leading to a consistent yield of 8.5 tons.
- Notably, even in dry seasons, her plots retain sufficient water for crops.

Don's Organic Transition:

- Don incorporated organic matter and compost over five years.
- Minimal fertilizer usage resulted in improved barley quality, attracting better prices.
- His income increased significantly while reducing overall costs.



PunaBio enhances crop nutrition by utilizing extremophile microorganisms capable of withstanding extreme temperatures, nutrient deficiencies, and severe drought. The company has developed diverse applications, such as seed treatment, that consistently enhance yields in fertile soils while also thriving in extreme and degraded environments. PunaBio's solution is key to greater climate resilience in plantations, increasing productivity even in challenging conditions.

This technology facilitates the reduction of fertilizer and chemical usage, leading to a decrease in greenhouse gas emissions and contributing to soil regeneration. Moreover, PunaBio's solution collaborates with the restoration of degraded areas, enabling food production in locations that were previously unviable.

Alignment with SDGs



Main Impacts

- Regeneration of degraded areas
- Climate change mitigation
- Adapting to climate change and increasing resilience
- Reduction of contamination risks
- Increased productivity and efficiency
- Food safety security



Impact KPIs suggested

- Impacted area
- Number of impacted farmers
- % Productivity increase
- Volume of chemicals avoided



Highlight

- Improve in the results in climate resilience



Arado is a supply chain technology that digitalizes, optimizes, and disintermediates relationships between small fruit and vegetable producers and the food service industry.

The solution offered by the company seeks to remove expensive intermediaries from the chain, allowing small- and medium-scale producers to find better market conditions. In addition, removing these links from the chain allows for the optimization of logistical routes and intermediate storage, reducing food loss/waste, reducing GHG emissions, and providing the customer with access to quality products at more affordable prices.

Finally, this new structure facilitates traceability and transparency in the value chain, bringing greater value to the end customer and a fair supply chain.

Alignment with SDGs



Main Impacts

- Reduction of food waste
- Climate change mitigation
- Greater transparency and traceability
- Better conditions for small and medium producers
- More affordable quality food



Impact KPIs suggested

- % loss in chain
- % loss avoided in the chain
- food volume
- Number of producers
- Number of small producers
- Diesel saved and emissions avoided



Highlight

- HR Policy
- Social and environmental risk analysis
- ISO Certification process
- Food waste avoidance KPIs

What's Next



Francisco Jardim
GENERAL PARTNER AT SP
VENTURES



Juliana Podestá
HEAD OF ESG AND IMPACT
AT SP VENTURES



Felipe Guth
PARTNER AT SP
VENTURES

“

We believe that the ESG Journey is a continuous act of growth for SP Ventures and its portfolio.”

THE JOURNEY CONTINUES...

Over the past year's work, it has become evident that we cannot simplify the ESG strategy into a one-size-fits-all approach for all companies. The varying maturity levels of our portfolio demand careful attention to each company's stage, ensuring that the development of the ESG and impact journey is seamless and adds substantial value rather than superficial changes. Close collaboration with each company has proven pivotal in overcoming this challenge and in formulating a strategy tailored to the founder's needs and their market.

We believe there is still significant untapped value, and we aspire to be a pillar supporting the portfolio and ecosystem's development. In our next steps, we are actively participating in discussions with peers and impact investors in forums such as GIIN, COP, FLII, and World Agritech to evolve as a sector, sharing both mistakes and successes. We remain committed to a co-constructive approach with our investees.

Looking ahead to 2024, we plan to delve deeper into methodologies like BCorp to guide our investments toward achieving best market practices and providing support for their strategies.



Our commitment persists in being advocates for the ESG agenda and scaling positive impacts through all our actions and investments.



*Rua Pais de Araújo, 29, Itaim Bibi,
14º andar, São Paulo, SP, Brazil*



+55 (11) 2594-8774



esg@spventures.com.br



<https://www.spventures.com.br/>

