

Feeding a Sustainable Planet

To sustainably feed humanity, the agriculture and food industries must embrace innovation.

Our mission is to invest in and accelerate the development of FoodTech and AgTech companies. We do so by leveraging our unique network of industrial partners and by encouraging stakeholders in the agriculture and food industries to adopt innovative solutions.

We strongly believe that companies should focus on extra-financial performance in addition to financial performance. Doing so creates value for their employees, shareholders and other stakeholders and ensures their long-term success. For this reason, we are committed to measuring extra-financial performance alongside traditional performance over the duration of our investment process via a Responsible Investment approach. In doing so we put human beings at the centre of our strategy and enable every employee to take an active role in this forward-thinking approach.

UN Sustainable Development Goals

In September 2015, the Member States of the United Nations adopted the Agenda 2030. In it they set out 169 sustainable development targets that were grouped into 17 objectives to be achieved by 2030. These Sustainable Development Goals (SDGs) address the entire scope of the global issues we are facing together.

At Capagro, we are committed to investing in companies whose solutions contribute to achieving at least one of the 17 SDGs. Our management team's responsible, selective approach prioritises nine of these objectives for the agriculture and food industries:

- SDG 2 - "Zero" Hunger
- SDG 3 - Healthy Lives and Well-Being
- SDG 12 - Sustainable Consumption and Production
- SDG 15 - Life on Land
- SDG 6 - Clean Water and Sanitation
- SDG 8 - Decent Work and Economic Growth
- SDG 9 - Industry, Innovation and Infrastructure
- SDG 13 - Measures Related to the Fight Against Climate Change
- SDG 14 - Aquatic Life

Our Responsible Investment approach involves collaborating with the leaders of each of our portfolio companies. Together we determine which SDGs are relevant to their business. We choose the best performance indicators to monitor progress over time and work hand-in-hand in order to achieve them. We believe this approach has positive benefits for both start-ups and management teams in two ways. First, by improving the environmental, human and social environment in which they operate. Second, by yielding stronger, more sustainable financial performance.

Our Commitments

This charter is a formal declaration of our commitments. It breaks them down into tangible actions to be taken by both Capagro and by our portfolio companies.

We are committed to initiating and expanding the use of the best social and environmental practices. Respect for human beings is at the centre of our strategy, and we focus in particular on the safety of people, male-female parity and social and cultural diversity.

Having already signed the Charter of Investors' Commitments for Growth by France Invest and Bpifrance's Charter for Investment Partners, we have now further reinforced our commitment to best social practices by adhering to the "Promoting Female-Male Parity in Capital Investment and Companies" charter initiated by France Invest.

In 2020, we also adhered to the United Nations' Principles for Responsible Investment (PRI). By respecting PRI principles, we attest to our commitment to aligning Capagro's investment practices with the best practices in our sector.

Aware of our role and responsibilities as an institutional shareholder, we express our commitment to all our stakeholders through the following:

1. Our Portfolio Companies

We encourage the companies in which we invest to operate according to ESG (Environment, Social and Governance) standards.

We conduct assessments of existing practices within these companies and prioritise areas for improvement with management. Together, we monitor selected ESG indicators and the progress made.

We ensure compliance by embedding the ESG process into Shareholders' Agreements.

We are committed to actively helping to grow and create value for the companies in which we invest in ways that encompass both long-term financial and extra-financial criteria. We

leverage our network of industrial and commercial partners to sustainably maximise value across the agriculture and food industry value chain.

We encourage our portfolio companies to provide plans for both management and employees that share company-wide success through profit-sharing and incentive-based mechanisms, as well as by giving employees widespread access to company share ownership or capital gains sharing plans.

We are committed to actively involving our portfolio companies in our ESG process, making impacts and improvements over time and providing feedback through individual scoring information and progress reports. We are also committed to sharing the overall ESG performance and improvements within our portfolio with all our key stakeholders to support our strategy of continuous improvement.

2. Our Investors

We are committed to implementing permanent best governance practices. These involve independence, transparency, controlling conflicts of interest and applying ethical principles within our organisation and within our portfolio companies.

We are committed to including ESG criteria in how we search for and select companies in which to invest. This involves ranking and analysing these criteria and identifying potential ESG improvement opportunities and risks, based on a questionnaire created by Capagro.

We are committed to including ESG criteria in how we monitor our portfolio of companies. Our annual report includes a specific report on ESG progress that gives our investors an overall but comprehensive understanding of the issues, actions and improvements they have made.

3. Our Employees

We endeavour to create a workplace environment where all of our employees can flourish by acting on a set of shared values: teamwork, performance, audacity and passion.

We create the conditions (trust, shared decision-making, collective awareness, annual performance feedback) that enable everyone to become fully involved in and contribute to properly administering the management company and the fund.

We are committed to equal access to employment, promoting inclusion and diversity within the team. Our goal is to provide professional development training to our employees and to regularly hire young trainees at the end of their studies to help them join the workforce.

4. Our Investment Management Company

We make every effort to reduce our own environmental footprint by using non-renewable resources responsibly, and we encourage our commercial partners to adopt the same approach. We make efforts to recycle waste, reduce energy consumption in our offices, reduce the use of paper and ink, and avoid non-essential travel, and more.

We have an in-house team specifically focused on addressing and taking action on ESG issues. Every year they host a meeting with the wider team to share information about the current ESG situation, evaluate progress over the course of the year, and suggest ESG projects and practices for the investment management company, the fund and our portfolio companies.

We raise awareness and train our team and our portfolio companies to institute and act on best ESG practices, particularly by sharing our experience and participating in events that focus on these themes and via training sessions on the subject.

We allocate resources to nurturing our ecosystem, including donating our expertise in-kind as mentors, tutors, selection committee members, etc. In doing so, we contribute to building a more cooperative environment.

Signatory to the Charter

The Capagro Team

