

AGRI3 TA Facility

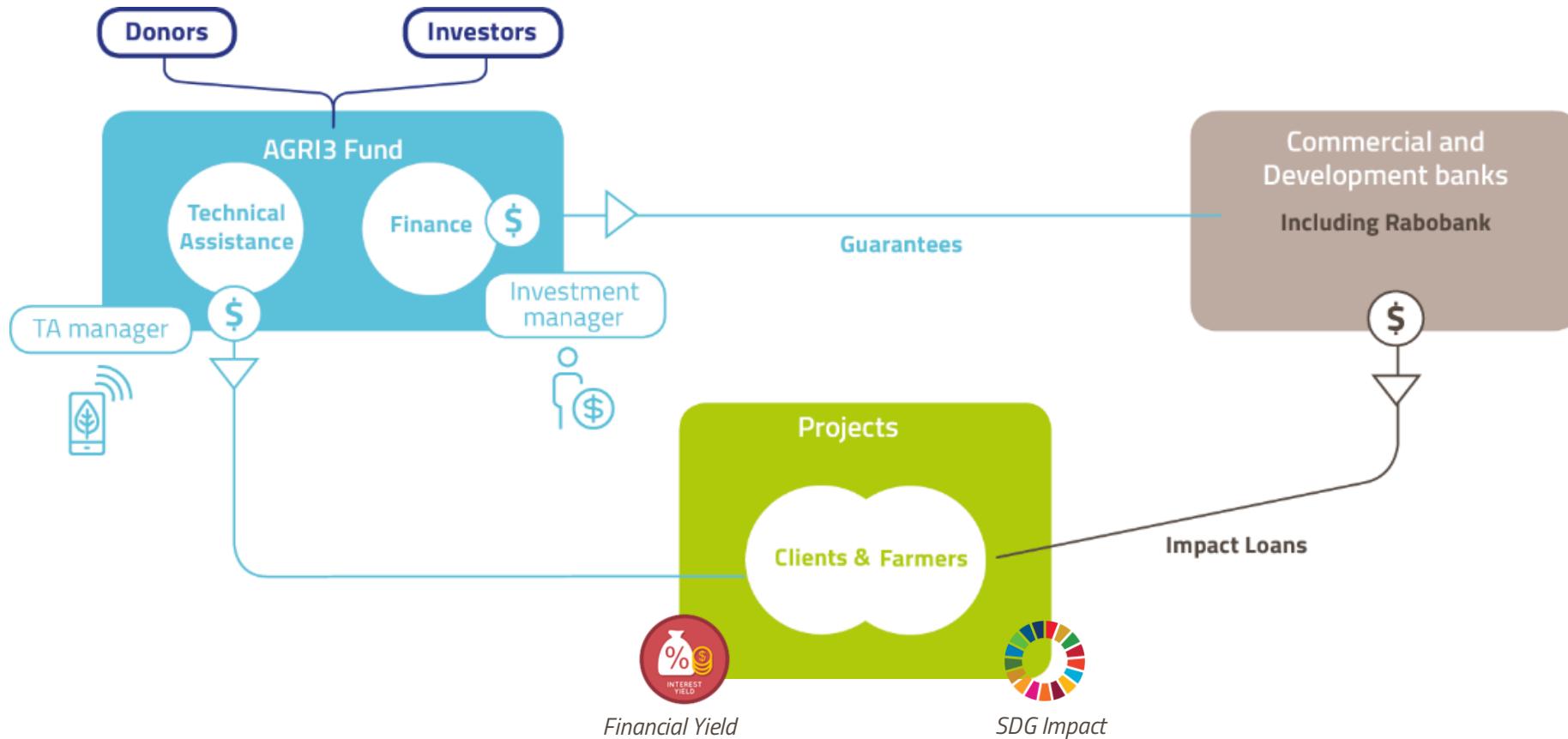
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How does it work?

AGRI3 is unique in its approach to mobilising investment in sustainable agriculture and forestry.

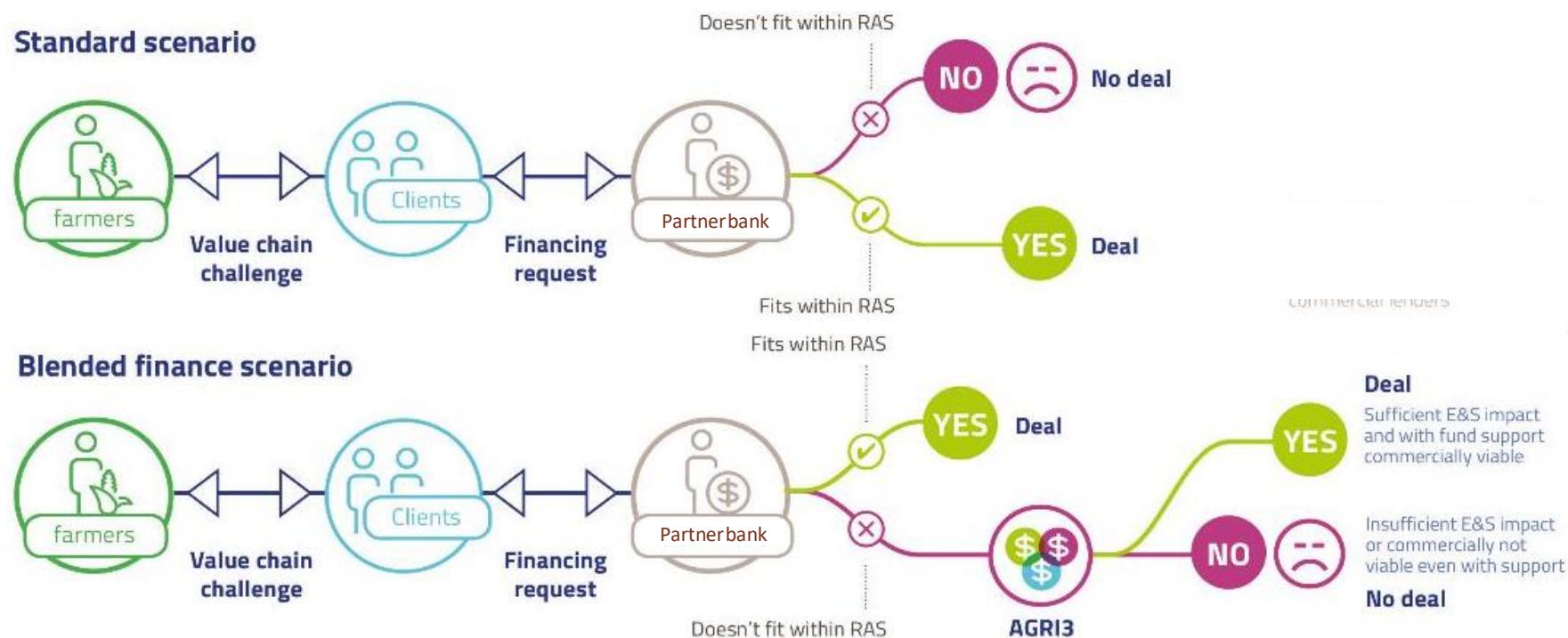
- AGRI3 is a blended finance fund provide partial risk guarantees and credit enhancement instruments to Partner Financial Institutions to catalyse finance in sustainable land use projects



AGRI3 Value proposition

The fund supports banks to lend to projects outside their usual risk appetite

- Guarantees and subordinated loans provided by AGRI3 Fund will allow Partner Financial Institution to finance transactions of their clients that would otherwise not be possible due to their tightly defined risk statements.
- This can offer a number of opportunities for commercial banks including - the ability to invest in higher risk, but more innovative projects and business models, offer longer tenor loans, or invest in portfolios of smaller, but higher risk farmers



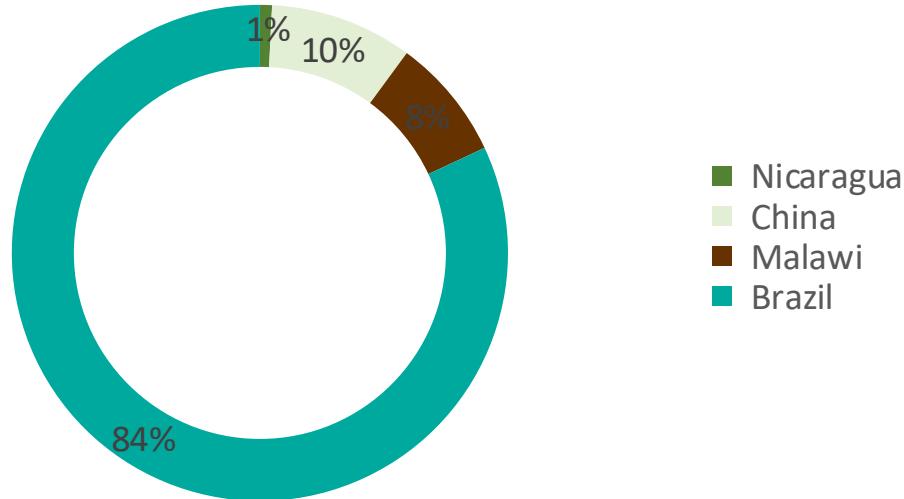
AGRI3 Fund

Portfolio Overview

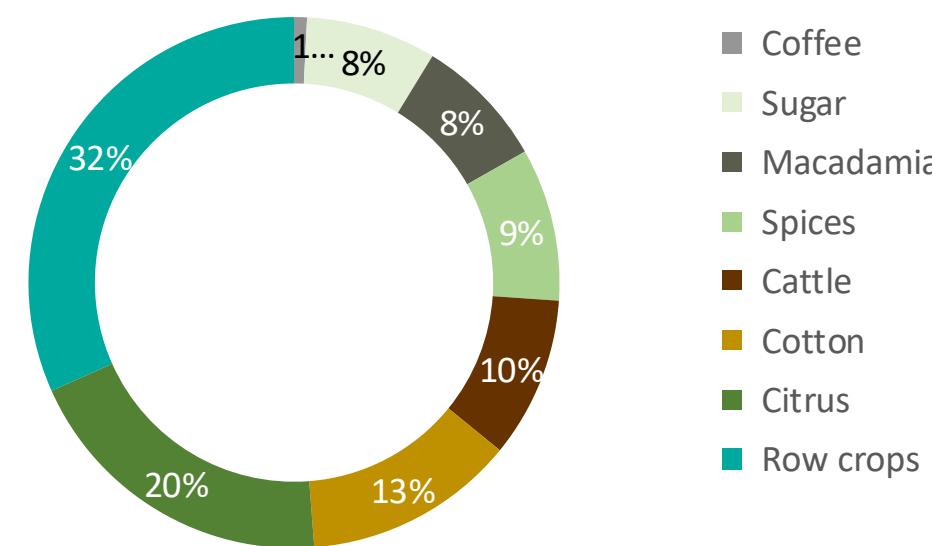


AGRI3 maintains an active portfolio of **sixteen transactions** with a total outstanding guarantees of **USD 62 million**, which have mobilized **USD 164 million** in finance to support forest conservation, sustainable agriculture, and improved rural livelihoods.

AGRI3 Portfolio: country diversification



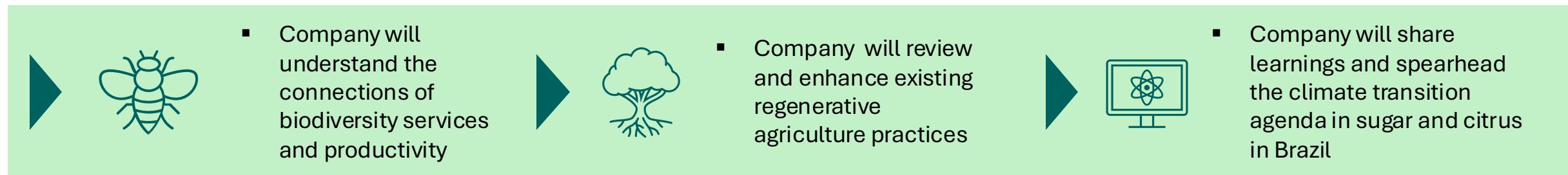
AGRI3 Portfolio: Sector diversification



- The majority of AGRI3's portfolio (84% of the total USD 62 million) is concentrated in Brazil, reflecting significant interest and demand for its offerings.

- The portfolio cover a diverse array of crop types, including 32% in row crops and 20% in Citrus. Other sectors include cotton (13%), cattle (10%), spices (9%), macadamia (8%), sugar (8%), and coffee (1%).

The TA Scope for Company A aims at consolidating regenerative agriculture practices, while mitigating risks and sharing learnings with external stakeholders.



Strategic Focus Proposal

Scope #1



- Climate risk and biodiversity analysis**
 - Developing a biodiversity (fauna & flora) study with focus on pollinizers
 - Analyzing biodiversity, climate impacts, and strategies for farm efficiency.

Scope #2



- Climate risk and Regenerative Agriculture**
 - Evaluate climate risks affecting the productivity of citrus and sugarcane crops.
 - Reviewing and improving existing regenerative agriculture practices

Scope #3



- Knowledge Sharing**
 - Develop research on Climate Adaptation, biodiversity and reg. ag. practices
 - Participate in scientific conferences focused on reg. ag.

Expected Results

- Company has a **clear understanding of biodiversity service's role in their productivity**
- Company understands the **implications of climate change** and explores potential strategies to lessen its adverse effects.

- Company avoid jeopardizing benefits from previous investments in regenerative agriculture
- Company **adopts a series of new practices adapted to the extreme conditions** of a climate change scenario

- More opportunities and risks are mapped** as a result of targeted work from consultants
- Landscape strategies are improved** to take on the identified the opportunities
- Increased capacity to meet targets**



Case Concept

Case 1 – Regenerative Ag. Case

Case 1 – Regenerative agriculture soy

Context

- Producer is a soy farmer that operates a diversified regenerative agriculture system in Brazilian Cerrado region.
- His farm has a track record of almost 10 years of implementing reg. agriculture practices, which reduced consumption of pesticides in 80%.
- At the same time productivity achieved $>100\text{sc/ha}$ ¹ (BR avg is 60), through the use of improved soil management and alternative inputs.
- The farm also has a biolab and a biofertilizer factory, using residue from animal production (cattle and fish)

Startup

Learning Startup

The company was founded by the farmer's son.

- The company is aimed at sharing the knowledge obtained in the last decade with other farmers interested in adopting the same practices
- There is a huge knowledge gap for the conventional farmers in the way of adopting reg.ag practices
- The company provides a tailored approach to it, by providing TA and a knowledge platform to support implementation

TA Concept



Soy Farmer



Catalytic TA

Regen. Ag.
Knowledge
Sharing startup



Resources are used to expand facilities' capacity



New DA Row Crops operations

- Catalytic TA would be provided to scale up operations and knowledge sharing on reg.ag.
- Scaling up the company will increase the demand for reg.ag. Implementation support
- While funds from the DA row crops would be used for increasing expanding reg.ag. practices
- The TA resources would be used to scale up startup model and replicating the successful reg. ag. model adopted by the farm.

1. Sc = productivity/commercialization term - 60 kg bag of soy harvested.