

## Environmental and Social Review Summary (ESRS)

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| <b>Project Name:</b>      | AgVentures III Climate Investment Fund: Agtech for Inclusion and Sustainability in LAC (SP Ventures) |
| <b>Project Number:</b>    | RG-Q0146   |
| <b>Project Location:</b>  | Argentina; Brazil; Chile; Colombia; México   |
| <b>Executing Agency:</b>  | SP Ventures  |
| <b>Type of Operation:</b> | Equity Investment  |
| <b>Publication Date:</b>  | April 2025   |

### 1. Lab Review

SP Ventures (“SPV”) is an early-stage venture capital firm specializing in Agtech in Latin America and de Caribbean (“LAC”) based in São Paulo, Brazil. SPV has demonstrated a strong impact track record, particularly in advancing sustainable agricultural practices and financial inclusion.

AgVentures III (“AGV III”), the third fund of SPV, will invest in mission-driven, high-growth technology companies that are leading the transformation of food production in LAC. The Fund targets startups developing innovative solutions to drive a lower-carbon, climate-resilient agricultural value chain while enhancing productivity and farmer profitability.

The environmental and social due diligence (“ESDD”) of the operation consisted of the documentary review of the Fund (ESG policy, Environmental and Social Management System, human resources policy, diversity policy, code of ethics and ESG Action Plans of two investments), and a virtual working meeting to present IDB’s Environmental and Social Policy Framework (“ESPF”) and to address questions regarding the Environmental and Social (“E&S”) due diligence questionnaire.

### 2. Environmental and social categorization and justification

The Fund’s investment strategy focuses on three key areas: biotech, Agtech & precision agriculture, and foodtech.

AGV III primarily invests at the Seed and Series A stages, through Equity, Simple Agreement for Future Equity (“SAFE”), and convertible notes, with ticket sizes ranging from US\$1M to US\$2M for Seed and US\$2M to US\$4M for Series A.

E&S risks associated with the potential portfolio are low to medium in nature and are mostly related to labor and working conditions, use of natural resources, biodiversity loss, and use of pesticides and deforestation. In this regard, the operation has been categorized as FI-2 in accordance with the IDB’s ESPF, since some of the portfolio investments are expected to have limited adverse E&S impacts, are few, site-specific, largely reversible and easily addressed through mitigation measures.

### 3. Environmental and Social Risks and Impacts

The environmental and social risks of the operation are associated with the Fund’s ability to manage the E&S risks of its investments.

The Fund has an ESG Policy and an Environmental and Social Management System (“ESMS”) that applies to its potential investments. The ESMS procedure includes a screening process against an exclusion list which is not fully aligned with IDB’s, a due diligence process based on the IFC Performance Standard and an ESG Monitoring and Impact KPI’s procedure. The ESMS also includes the fund’s practices to address issues related to corruption, discrimination and sexual harassment.

Community members, employees or investees may report grievances directly to SPV through its external communications and grievance mechanism available at SPV’s website. The reports are received directly by the managing partners.

The Fund's ESG Team is composed of an E&S Officer (Partner and Director) and an Impact & ESG specialist.

Regarding compliance with Performance Standard (PS) 2, the Fund has a Human Resources Policy that establishes clear guidelines for human resources management to ensure fair treatment of employees in accordance with local legislation. The policy includes the following topics: (i) compensation, (ii) working hours, time off, leave policy, and vacation, (iii) overtime, (iv) benefits and (v) non-discrimination and anti-harassment practices.

#### 4. Mitigation Measures

The Fund shall adopt the IDB exclusion list as part of the ESMS and apply it to all its investments.

#### 5. Environmental and Social Action Plan (ESAP)

| No | Issue | Activity  | Deliverable                                 | Delivery Date  |
|----|-------|---|---|--|
| 1  | ESMS  | Adopt the IDB exclusion list as part of the ESMS, including avoiding deforestation of high carbon ecosystems.   | Updated ESMS                                | 6 months since the closing of the operation with BID Lab |
| 2  |       | Provide ESDD Reports for the medium risk investments  | ESDD report with Action Plan as appropriate | Prior to the approval of investments                     |
| 3  |       | Strengthen capacity to screen for material physical climate risks on investments. Generate a strategy to gradually support companies to develop risk mitigation alternatives. | Updated ESMS                                | 6 months since the closing of the operation with BID Lab |