# &GREEN 2025 ANNUAL REPORT

## THE &GREEN FUND

**Private credit supporting the transformation of global supply chains**

SAIL INVESTMENTS

# ABOUT THIS REPORT

*This report presents the activities and performance of the &Green Fund ("&Green" or "the Fund") for the financial year ended 31 December 2025.*

It is prepared by &Green's Investment Advisor, SAIL Investments ("SAIL"), and brings together portfolio, financial and sustainability information to give a clear overview of the progress made during 2025. Financial data is presented in US dollars unless otherwise stated.

Climate and nature considerations are integrated throughout SAIL's investment process, from origination to exit: SAIL assesses both the risks and opportunities associated with climate change and nature loss, and works with portfolio companies to strengthen resilience and support long-term value creation. Detailed information about SAIL's approach, methodology and disclosures is available in SAIL's integrated ***Taskforce on Nature-related Financial Disclosures (TNFD) / Taskforce on Climate-related Financial Disclosures (TCFD) Report***.

From 2025, the term "Sustainable Value Creation Plan (SVCP)" replaces the terms "Environmental and Social Action Plan (ESAP)" and "Landscape Protection Plan (LPP)" used in earlier reports. This is a change of name only and &Green's investment process and the commitments agreed with the portfolio companies remain unaltered. The change was made to better align with existing value creation language used in the private markets. A glossary of key terms can be found in the Appendix.

This report is best read alongside &Green's audited financial statements and sustainability disclosures, summarised with their publication dates in the Appendices. The information in this report is published in line with the Fund's mandate to share progress openly with the market, however, commercially sensitive information has been necessarily withheld.

**The audited financial statement and sustainability disclosure can be found on the &Green website.**

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CHAPTER 01

# &GREEN AT A GLANCE

## *Natural capital investing through private credit*

Established in the Netherlands in 2017, &Green was created to address a defining challenge of the coming decades: how to meet growing demand for food and agricultural commodities while protecting valuable forests and peatlands. The Fund's focus landscapes hold extraordinary climate and biodiversity value and are central to the livelihoods and resilience of local communities. Since inception, &Green has shown that private credit - when applied strategically - can solve this challenge by embedding Sustainable Value Creation Plans (SVCPs) into the growth plans of portfolio companies, enabling real-economy businesses to transition to more sustainable, resilient production models while delivering long-term value.

This strategic approach recognises that nature loss and climate change risks are material to the operational, and ultimately credit risk of businesses that depend on nature. Those businesses that address these risks can strengthen their resilience, expand market access and, over time, lower their cost of capital.

For its investors, &Green seeks to deliver consistent, attractive risk-adjusted returns through a highly scalable private credit strategy that efficiently diversifies total credit portfolio risk, with additional downside protection reinforced by sustainable value creation embedded in each transaction.

## KEY FUND METRICS

**$420 M**

**TOTAL CAPITAL COMMITTED (USD)**

**$237 M**

**CAPITAL DEPLOYED SINCE INCEPTION - CUMULATIVE (USD)**

**$165 M**

**TOTAL GROSS AUM (USD)**

**7.8%**

**PORTFOLIO CASH YIELD**

Ba3 (BB-)

AVERAGE PORTFOLIO CREDIT RATING EQUIVALENT

11

NUMBER OF DEALS SINCE INCEPTION

6

ACTIVE INVESTMENTS

4

COUNTRIES OF OPERATION

1

NEW INVESTMENTS IN 2025

2

PREPAYMENTS / EXITS IN 2025

## FUND-LEVEL IMPACT KPIs

**FOREST PROTECTED**

3,422,660.6 ha

**ECOSYSTEMS WITH INCREASED RESILIENCE**

3,634,513.2 ha

**CLIMATE BENEFITS**

21,119,386 $tCO_2e$

**PEOPLE WITH INCREASED RESILIENCE**

76,678

**PEOPLE BENEFITTING**

109,032

**NANNO KLEITERP**

Chairperson of the &Green Board of Directors

CHAPTER 02

# LETTER FROM THE BOARD

## *Dear &Green Stakeholders,*

2025 provided further evidence that &Green's private credit thesis works in practice as the Fund has moved from delivering replicable global blueprints across food & agri commodity sectors to laying the foundations for scaling up the global strategy financed by private institutional investment.

The Fund continued to deploy capital during the year, including the second disbursement to ETC Group Limited (ETG), focused on deforestation-free cocoa, and a loan to Valency International Pte. Ltd. (Valency), which expanded the portfolio into cashew supply chains in the Ivory Coast. SAIL also generated mature pipeline opportunities in mandate-aligned sectors and geographies, including aquaculture in Ecuador, palm oil in Colombia and green-field land restoration projects in Brazil, each with significant potential for sustainable value creation. This reflects the potential for the Fund to apply its private credit approach across sectors and geographies. Disciplined credit analysis, thorough structuring followed by embedded SVCPs, enable &Green to strengthen portfolio company credit profiles while advancing more inclusive, sustainable and deforestation-free commodity production.

The following highlights from the year serve as evidence of the &Green thesis:

- PT Dharma Satya Nusantara Tbk. (DSNG), &Green's first investment in the Indonesian palm oil sector, ranked fifth globally in the 2025 Sustainability Policy Transparency Toolkit (SPOTT) assessment and received the Roundtable on Sustainable Palm Oil (RSPO) Conservation Leadership Award for its work on biodiversity conservation, ecosystem

restoration and landscape-level partnerships. During the same period, DSNG's credit risk improved substantially throughout the year as they showed strong performance and delivered.

- MBRF Global Foods Company S.A. (formerly Marfrig Global Foods S.A.) achieved 100% territorial traceability of its cattle supply chain, including both direct and indirect suppliers, across all Brazilian biomes where livestock is sourced. With this milestone, MBRF is the first large company in the Latin American cattle sector to reach full traceability across direct and indirect suppliers.

- Hacienda San José (HSJ) and PT Hilton Duta Lestari (HDL) prepaid their loans following the substantial delivery of their SVCPs, with material value creation initiatives implemented and the principal objectives achieved. Both portfolio companies were able to refinance on more favourable terms, reflecting in part the progress made during the Fund's investment period.

The governance of two entities incorporated in 2024, &Green Fund B.V. and &Green Fund Vehicle B.V., continued to reflect the high standards required by the &Green Stichting Board in 2025. The alignment of policies across the three entities (the Stichting and the B.V. Funds) was implemented and the &Green Stichting Board monitored &Green's financial performance on a consolidated basis. The operating performance was positive, with investment income financing the operating and financing costs and generating an operational cash flow of USD 6 million. The negative net result of USD 4.8 million is primarily due to the non-cash foreign-exchange movement on the Fund's NOK-denominated grant contribution from Norway's International Climate and Forest Initiative (NICFI).

The &Green Stichting Board continued to monitor the deployment of the technical assistance (TA) facilities that have been made available to the Fund through grant funding from certain contributors. This TA was active on three fronts in 2025: (i) the partnership with IDH under the Green Climate Fund (GCF) TA, supporting the enabling environment for forest protection and climate-resilient production; (ii) the redesign of the Fund's MRV framework supported by the Mobilising Finance for Forest Fund (MFF) TA; and (iii) origination support across Central Africa funded by Central African Forest Initiative (CAFI), building the foundations to deploy CAFI's broader capital contribution in due course.

*The &Green Stichting Board's focus is on ensuring that this funding strengthens the quality of the pipeline, accelerates capital deployment and supports portfolio companies in implementing their SVCPs.*

&Green successfully launched the &Green Fund Note ("the Note"), providing institutional investors with access to the Fund's strategy through a market standard financial instrument which was pre-rated A/A- by Creditreform, A German institutional investor was the first investor in the Note. This was a significant milestone in the Fund's development. Since then, interest in the Note has been encouraging. Based on current discussions, the &Green Stichting Board expects further subscriptions through 2026. This reinforces the need to further facilitate access to the strategy for a broader base of private institutional investors beyond the Note, which has limited capacity.

The &Green Stichting Board congratulates SAIL Investments on being awarded the UN Principles for Responsible Investment (UN PRI) 2025 Recognition for Action – Nature Award. The UN PRI provides an important external benchmark for the financial industry, including private institutional investors, and this award recognises the investment strategy developed by SAIL, and its work on the &Green investment mandate, to integrate nature and climate within a strategic private credit model.

Finally, the &Green Stichting Board would like to thank the Fund's long-standing contributors for their continued support of the &Green strategy.

Looking ahead, the &Green Stichting Board's priorities remain unchanged. We will continue to focus on disciplined capital deployment, prudent risk management, and resilient portfolio construction. The developments in 2025 show that the Fund is entering a new phase. The thesis continues to be tested in practice, and the evidence is encouraging.

Sincerely,

**Nanno Kleiterp**
*Chair of the Board*

CHAPTER 03

# LETTER FROM THE INVESTMENT ADVISOR

**JOHNNY BROM**
Founder and Chief Investment Officer of SAIL Investments

## *Dear Reader,*

Concerns around climate change have been ramping up for decades. Mass audience recognition of the issue amplified materially with the release of Al Gore's "Inconvenient Truth" documentary in 2006. The 2015 Paris Agreement at the UN Climate Change Conference (COP21) cemented global buy-in to the issue – including through the adoption (in a legally binding international treaty) of the goal to limit global warming to 1.5°C above pre-industrial levels. There has, unfortunately, been limited success globally since 2015 in sticking to that target, yet many governments and investors have made large changes in their investment decisions to reduce their climate emissions. There has been a significant shift in global energy systems over the past two decades (which was the most obvious place to start). The remaining reduced energy demand for fossil fuels is much harder to abate – as seen by the impact of the events in the Middle East in 2026.

Nature, although integrally linked to climate, has been like the youngest child who is forgotten in the schoolground. You care about him greatly, but you are too busy with the other older children. That said, there has been some recognition of nature's importance around the world as global ecosystems continued to be ravaged, and fauna and flora extinctions have increased. The Finance for Biodiversity Pledge (2020) put nature and biodiversity back on the map, closely followed by the Montreal Biodiversity COP15 in 2022 and the Taskforce on Nature-related Financial Disclosures (TNFD) in 2023 are all important developments in this regard. Asset owners increasingly started speaking about nature, biodiversity and how to mitigate risks in their portfolio... Right now, some are starting to think about how to take it further — i.e. actually investing to protect, regenerate and improve nature.

As an investor considering nature, strategically, there are two options you can take: (1) You can aim to remove nature risk from your portfolio as best as possible. This can be done by mostly excluding high-risk activities and then engaging with those exposures that you cannot avoid, to try and mitigate risk; and/or (2) You can invest in opportunities that generate positive nature value, i.e. you can invest in assets which transition your portfolio to ultimately be nature positive.

If you consider that at least 50% of global GDP is highly, or moderately, dependent on nature[1], then it is going to be fairly difficult to totally exclude your nature exposure. Think of the food and agriculture sector, forestry and fisheries, chemicals, metals and mining, tourism, construction.

Furthermore, while an internal Responsible Investment (RI) team can develop an ironclad exclusion list that dramatically reduces your exposure to sustainability risks, every exclusion comes with a tradeoff. All other things being equal, reducing the investment space can limit diversification and the opportunity to generate consistent risk-adjusted terms. From the portfolio expansion perspective, a CIO seeks to maximise the number of opportunities when doing her Strategic Asset Allocation (SAA) as investors also want expansive options. Not the other way around.

You would assume that investors start by looking at nature from the perspective of their existing portfolio. This offers some easy wins, just like climate investing did (does), in that you could probably make some minor tweaks in your requirements on your infrastructure equity exposure or even adjust your real estate portfolio on the margin, as likely examples. I have seen, for example, investors showcasing biodiversity-positive retail developments in the Netherlands (biodiverse because they are including a nature pond in the planning). Now, I am not scoffing at that. I live in the Netherlands, and I am happy to see frogs frolicking in a city complex. However, as any good RI team could point out – the impact of such initiatives is relatively minor and not going to solve the climate and nature challenge.

By contrast, serious investors have large exposures around the world, albeit mainly indirectly, in the supply chains of major industries in which they are invested. For example, an exposure to the Food and Beverage sector – through an index or even just holding large caps of European Retailers – are significantly exposed through their supply chains to large nature risks. You can close your eyes, of course, and say that the listed downstream company whose stock or bonds you own is not directly exposed, but that is becoming more difficult to do with a straight face. And many responsible, leading institutions are actively exploring ways to do something about this.

Herein lies a reality that we need to first accept… before we can assess how to manage it: A huge percentage of critical ecosystems, and all the biodiversity that comes with them, happens to be in emerging economies around the world. The most relevant ones are in the tropics (more than 85% of global biodiversity), and of course the rainforests of the Amazon, Kalimantan and Congo basin are top of that list.

This means that, if investors want to make a meaningful contribution to manage their inherent exposure to nature in their existing portfolios, they will need to invest in the transformation of supply chains in emerging markets. Part of this is an active strategy to engage the downstream blue-chip companies who might be in their portfolio. However, investors are increasingly looking for ways to drive the transformation of these supply chains. Herein lies a huge opportunity and &Green has built a track record to show how this is possible. &Green's approach is scalable because mainstream, century-old tools like corporate credit can be turned into an instrument to drive the transformation of supply chains in the industries in the real economy that are most relevant for the world in order to deliver the tangible value of nature that we all want to realise.

## *100% of humans are ultimately highly dependent on nature.*

Taking a bet on transforming industries to protect and regenerate nature is not just a smart diversification strategy in institutional portfolios; it is also just common sense if we are thinking about the long-term, i.e. real-life sustainability.

The 2025 &Green Annual Report provides further concrete evidence of how one can invest credibly in this transformation.

Sincerely,

**Johnny Brom**
*Founder and Chief Investment Officer of SAIL Investments*

[1] *WEF New Nature Economy Report 2020*

CHAPTER 04

# INVESTMENT STRATEGY

## *Private credit to transform global agricultural supply chains*

Global agricultural supply chains face a critical challenge over the coming decades: how to finance rising demand for food and agricultural commodities while reducing dependence on deforestation, land degradation and increasingly fragile production systems. Food and land-use systems need significant long-term investment in production that is sustainable, restoring land and adapted to climate change. Supply chains need to be resilient and traceable. Tropical regions, where much of this global production takes place, holds a substantial share of the world's biodiversity and carbon stock, and remains highly exposed to deforestation pressures.

A relatively small number of globally traded commodities – including cattle, palm oil, cocoa, coffee, soy and related products – account for a significant share of that risk. Companies in these sectors face increased scrutiny of their practices from regulators, buyers, financiers and civil society who expect traceability, deforestation-free sourcing, stronger risk management, and operational resilience. For these companies, sustainability is increasingly a competitive issue: the ability to meet these expectations enhances market access, supports supply chain continuity, improves regulatory preparedness, and strengthens long-term creditworthiness.

The &Green Fund provides private credit to portfolio companies operating at critical points within these global agricultural supply chains – processors, traders, exporters and vertically integrated producers. Although the portfolio companies influence sourcing practices across large networks of producers, they are often underserved by long-term, strategic financing tailored to the complexity of a sustainability transition.

The Fund's strategy rests on this conviction: in sectors exposed to climate, nature and land-use risk sustainability performance is financially material. Portfolio companies that improve traceability, strengthen sourcing, manage environmental and social risks, protect natural ecosystems and adapt to evolving market requirements become more resilient, more competitive and more attractive to financiers over time.

**TRANSITION AND TRANSFORMATION**

### *The two terms describe different things, and we use them deliberately:*

Whilst &Green finances transitions at the portfolio company level; its purpose is to contribute to the transformation of global agricultural supply chains.

A **transition** is what an individual company does. The deliberate operational change that a portfolio company makes — improving traceability, protecting forest, adopting deforestation-free sourcing, strengthening land-use governance.

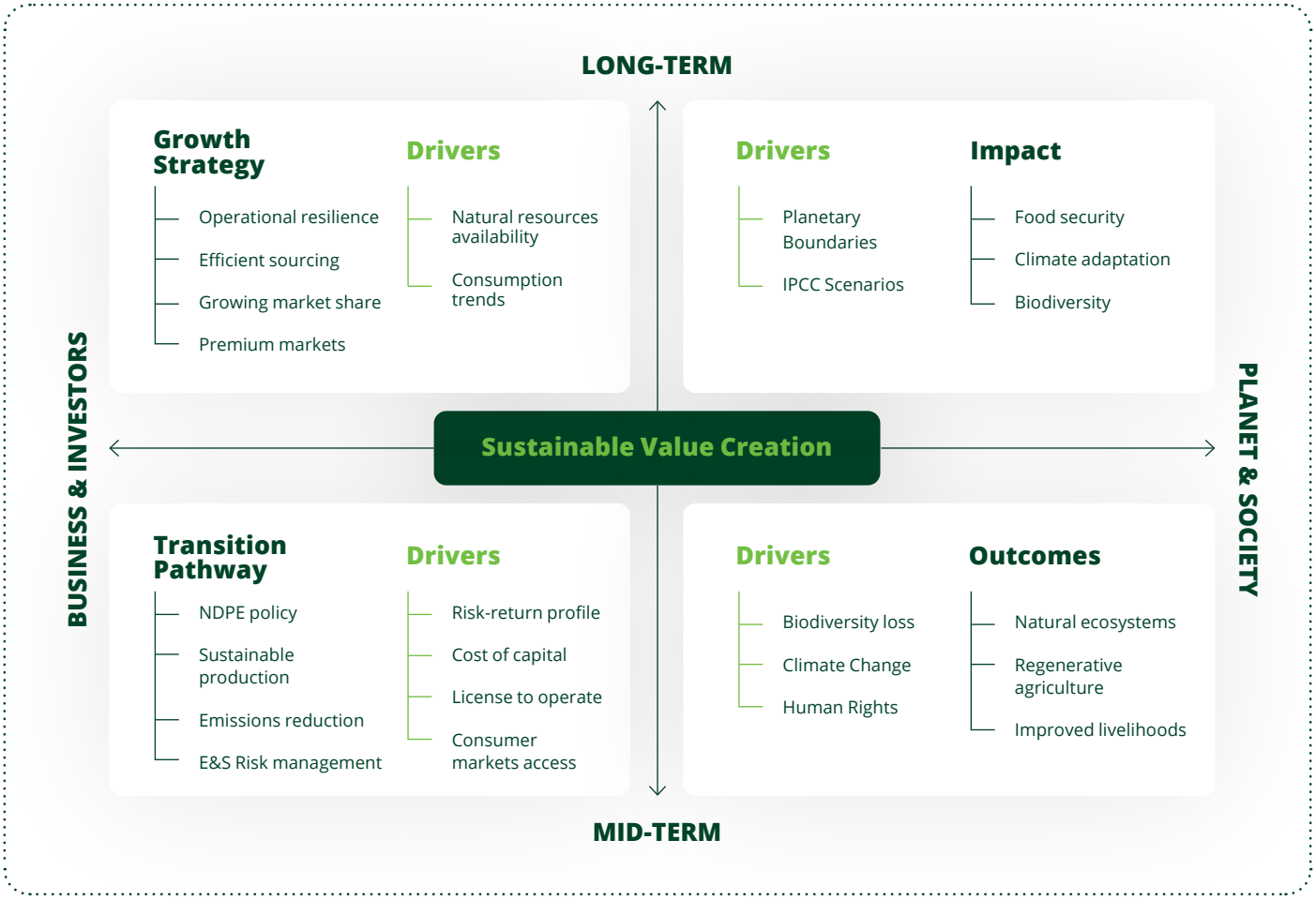
A **transformation** is the system-level result that those individual transitions add up to. A whole supply chain, sector or landscape shifting to a more sustainable model.

# NATURAL CAPITAL THROUGH PRIVATE CREDIT

## SUSTAINABLE VALUE CREATION

&Green's approach is based on Sustainable Value Creation: financing sustainability transitions that are relevant to portfolio company resilience and commercial performance. The Fund invests where a portfolio company transition supports the underlying credit thesis – through improved market access and better margins, a lower cost of capital, and greater long-term resilience, both commercially and with respect to the physical risks of climate change and nature loss.

Sustainability is therefore both a risk-management discipline and a value-creation strategy. The Fund's role as a lender is to identify portfolio companies where long-term capital, forward-looking sustainability covenants and hands-on monitoring after disbursement can support a credible transition pathway that is commercially viable, operationally feasible and appropriate for the sector and jurisdiction.




Each quadrant is driven by external pressures, ranging from consumer trends and cost of capital to planetary boundaries and human rights risks, that create both risks and opportunities for portfolio companies. SAIL ensures that sustainability becomes a source of competitive advantage and long-term value creation by considering the external pressures that are creating risks and opportunities in the specific Sustainable Value Creation Plan (SVCP) for each portfolio company, which set out measurable outcomes for all stakeholders. Thus building resilient business models.

# SUSTAINABLE VALUE CREATION PLANS

**SVCPs**

The Fund implements this approach through SVCPs. These are structured, time-bound roadmaps that outline how the sustainability transition embedded in a transaction will create value for the portfolio company but also hold them accountable. The development of SVCPs by SAIL is fully embedded within its investment process, ensuring that sustainability transitions are not parallel efforts but core to investment decision-making, structuring, and monitoring.

SVCPs are developed as part of the investment process and embedded in loan documentation as forward-looking sustainability covenants. A portfolio company is required to achieve predefined sustainability milestones and performance improvements that are designed to align business growth with environmental and social objectives.

# WHERE WE INVEST

&Green's target global sectors are linked to land degradation and deforestation. These sectors include agriculture (palm oil, soy, coffee, cocoa among others), cattle/dairy, and plantation forestry. The Fund focuses on selected geographies where globally significant commodity value chains are active and there is a material risk of them being a driver of deforestation, today or in the near future. &Green finances transactions where there is a clear investment rationale of our financing playing a demonstrative role in de-linking deforestation and land degradation from commodity production in a way that is commercially attractive. This investment rationale leads to blueprint transactions, whereby a sectoral sustainability transition is needed in order to continue the growth of food production to support global food security - while avoiding the continued destruction of natural ecosystems. "Natural ecosystems" can be biomes, like forests and grasslands, and also ecosystems, like water or soil.

The food and agriculture sector is responsible for ~23% of global GHG emissions and ~80% of tropical deforestation, as well as the largest driver of biodiversity loss. &Green finances actors in this sector who have a desire to grow sustainably, reversing this trend.

Identifying the companies wanting to lead this sustainability transition and creating blueprints for the entire sector to follow is a key task of &Green's origination process. Through replicating blueprints, &Green creates sector transformation at scale.

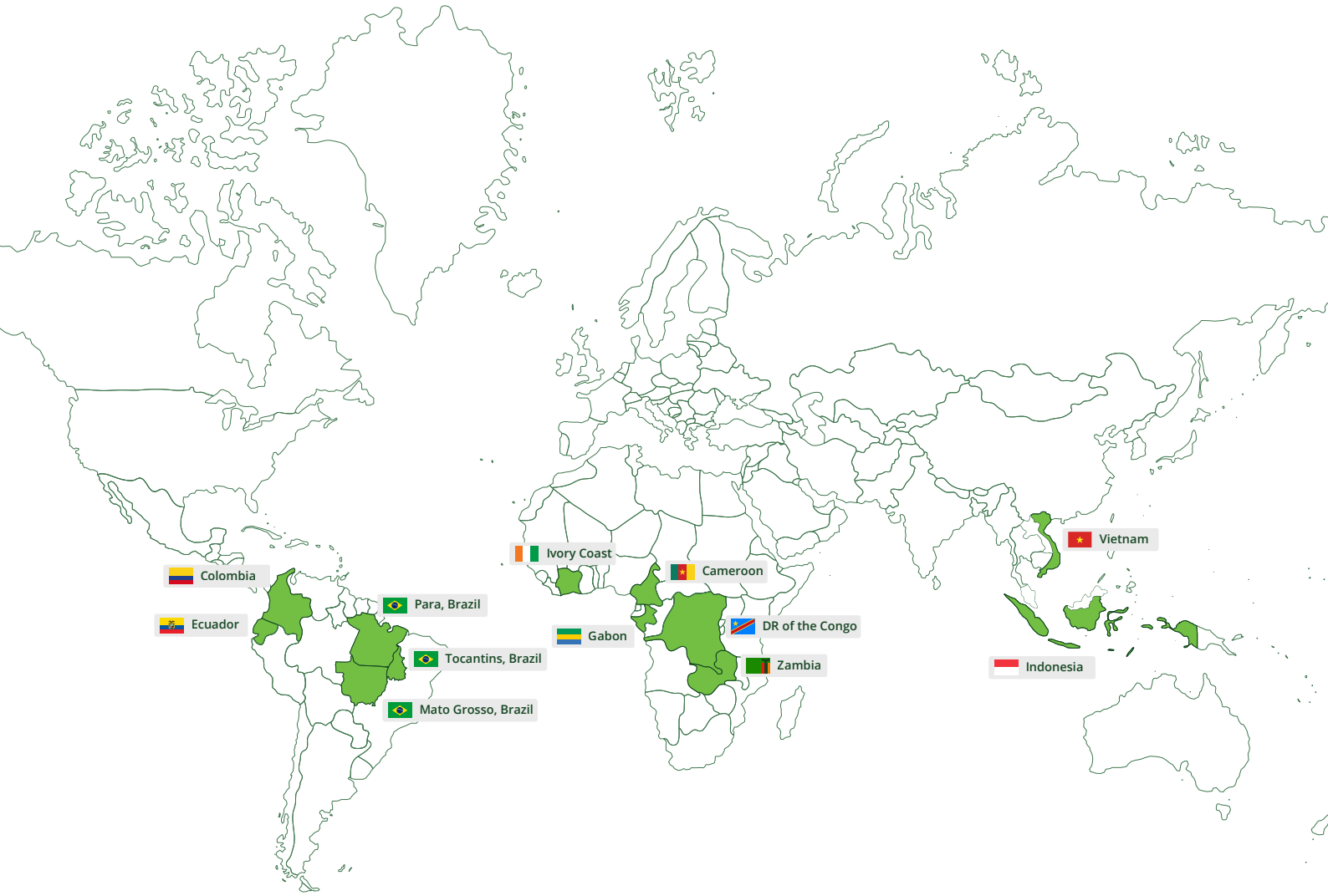
# OUR JURISDICTIONAL ELIGIBILITY CRITERIA ASSESSMENT

*&Green invests only in jurisdictions that meet the Fund's jurisdictional eligibility requirements.*

The Jurisdictional Eligibility Criteria Assessment evaluates whether a jurisdiction has the policy, regulatory, institutional and monitoring conditions needed to support forest and peatland conservation alongside sustainable agricultural production. This jurisdictional approach is an important part of the Fund's risk management, helping to ensure that portfolio company commitments are assessed within the wider enabling environment in which they operate. This approach reduces the risk of externalities negatively impacting a portfolio company's effort to protect ecosystems. Asserting this positive enabling framework is part of the macro assessment that informs the origination efforts of the &Green fund.

Jurisdictional assessments are reviewed periodically to monitor changes in regulation, enforcement, land-use dynamics and broader policy conditions. Where a jurisdiction no longer clearly meets the Fund's requirements, it may be placed under monitoring or classified as ineligible. Jurisdictions under monitoring may remain investable where transaction-specific risk mitigation is considered appropriate.

## JURISDICTIONAL ELIGIBILITY & MONITORING MAP



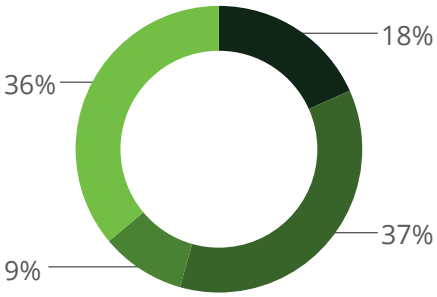
CHAPTER 05

# PORTFOLIO REVIEW

As the portfolio has matured, the Fund has continued to demonstrate how private credit can meaningfully contribute to sustainable value creation of underlying companies. As of 31 December 2025, the total capital deployed since inception was USD 237 million, through a total of 11 investments.

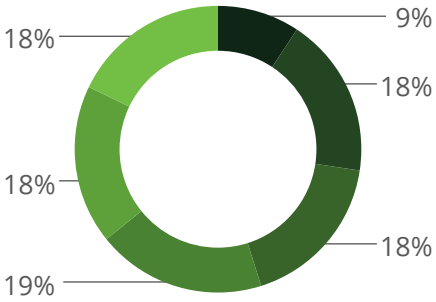
The existing portfolio, as of 31 December 2025, consists of six active investments, spanning Latin America, Africa, and Southeast Asia and covering a range of commodities and portfolio company profiles:

### COUNTRY COMPOSITION



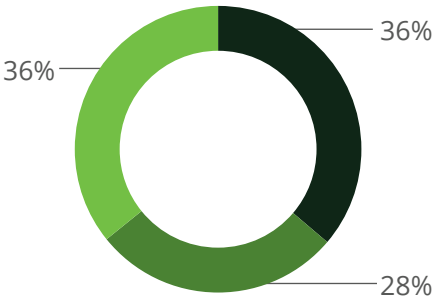

- Indonesia
- Brazil
- Vietnam
- Ivory Coast

### SECTOR COMPOSITION




- Coffee
- Palm Oil
- Tree Nuts
- Cattle
- Cocoa
- Grains & Oilseeds

### BORROWER COMPOSITION




- Producer
- Processor
- Trader

# 2025 PORTFOLIO HIGHLIGHTS

## 100% TRACEABILITY

**MBRF | BRAZIL | CATTLE**

100% traceability across direct and indirect suppliers, covering every Brazilian biome in which MBRF operates. MBRF is the first large cap company in the Latin American cattle sector to reach full traceability across direct and indirect suppliers.

## CREDIT AND SUSTAINABILITY REINFORCEMENT

**DSNG | INDONESIA | PALM OIL**

Improved its credit profile further and materially in 2025. DSNG also ranked fifth globally in the SPOTT palm oil transparency assessment and it was recognised for its sustainable practices through the RSPO Conservation Leadership Award and the prestigious Best Corporate Transparency and Emission Reduction Awards 2025.

## TWO PREPAYMENTS FOLLOWING SUBSTANTIAL SVCP DELIVERY

**HSJ | HDL**

Both portfolio companies prepaid in full after delivering the most material parts of their SVCPs, refinancing on more favourable financial terms with local banks. Capital returned to the Fund has been redeployed into the pipeline in 2026.

## NEW INVESTMENT

**VALENCY | IVORY COAST | CASHEW**

A new facility extended the portfolio into the cashew value chain and deepened the Fund's presence in the Ivory Coast. The investment seeks to deliver attractive USD returns while de-risking a new supply chain (cashews), safeguarding market access, and positioning Valency as a preferred counterparty in global cashew markets.

## SUCCESS CASE OF SVCP IMPLEMENTATION

**FS | BRAZIL | CORN**

FS has fully delivered the milestones related to forest conservation, restoration and sustainable intensification, and grew certified ethanol volumes under ISCC CORSIA – opening access to sustainable aviation fuel markets.

# PT DHARMA SATYA NUSANTARA TBK.

## DSNG

| | |
|---|---|
| **PORTFOLIO COMPANY** | PT Dharma Satya Nusantara Tbk (“DSNG”), jointly and severally with two subsidiaries: PT Dharma Intisawit Nugraha (“DIN”) and PT Karya Prima Agro Sejahtera (“KPAS”) |
| **GEOGRAPHY** | Indonesia |
| **COMMODITY** | Palm oil |
| **INSTRUMENT TYPE** | Senior unsecured loan |
| **TOTAL COMMITTED EXPOSURE** | USD 30 million |
| **TENOR** | 10 years |
| **INVESTMENT DATE** | April 2020 |
| **CURRENT STATUS** | Performing (ECL Stage 1)* |

**Expected Credit Loss (ECL) impairment method, explained in Chapter 07, Fund Performance.*

# SVCP & IMPACT METRICS*

**Please note that the KPIs are under ongoing verification*

**E&S RISK**

A

**FOREST PROTECTED**

4,203 ha

**CLIMATE BENEFITS**

155,150 $tCO_2e$

**ECOSYSTEM WITH IMPROVED RESILIENCE**

80,079 ha

**PEOPLE BENEFITTING**

27,090

**PEOPLE RESILIENCE**

12,194

# ANNUAL REVIEW

## INVESTMENT RATIONALE

&Green's maiden investment in the palm oil sector establishes a 10-year partnership with a well-regarded, top tier Indonesian palm oil company with a strong commitment to sustainable and inclusive production of palm oil. Anchoring this partnership is DSNG's public commitment to fully implement its NDPE throughout its supply chain by 2025 and to achieve RSPO certification of its remaining eight CPO mills by 2023. In making itself accountable to &Green and its other stakeholders, DSNG is setting a very high standard for transparency, which makes its NDPE unique in the industry.

# YEAR IN REVIEW

## COMMERCIAL PERFORMANCE

DSNG delivered strong performance during the year primarily driven by higher crude palm oil prices. Sustained operational excellence, disciplined de-leveraging and high-quality management execution supported further strengthening of the company's credit profile. The wood products segment (a non-core but still material part of DSNG's business) experienced increased pressure due to weakening demands in principal markets. However, the company created a new segment (through its renewable energy initiatives) focused on sales of palm kernel shells and wood pellets.

During 2025, SAIL's internal Moody's based credit rating process continued to score DSNG's credit quality as improving. By the end of 2025, it stood five notches above the inception date of the &Green investment.

*This is due to the company's strengthening business position, higher yields from its replanting programme, a predominantly prime-age plantation profile and a more conservative leveraging strategy.*

## SVCP PERFORMANCE

DSNG completed its ESAP in 2023, and implementation of its broader SVCP has continued to date.[2] The original investment thesis was designed to demonstrate how DSNG could implement an NDPE at the landscape level: across its own operations, third-party suppliers and independent smallholders, while combining forest protection with sustainable intensification and inclusive local economic development.

In the context of its commitment to achieve full NDPE implementation across the supply chain by 2025, DSNG met the agreed-upon milestones. The target was slightly restructured in the course of the year in consideration of implementation challenges in the indirect supply chain, allowing for flexibility in the onboarding of indirect suppliers served by independent agents, in line with the rules of the Accountability Framework initiative (AFi). These independent smallholders and agent-sourced volumes were identified as the most difficult part of the implementation, because farm-level mapping is resisted and sourcing runs through intermediaries. DSNG continued to build their capacity through farmer field schools, which reached 8,562 participants, up from 3,142 in 2024.

DSNG continued to strengthen its landscape-level approach to biodiversity conservation, ecosystem restoration and habitat protection. During 2025, DSNG ranked fifth globally in SPOTT's palm oil transparency assessment. The company also received the RSPO Conservation Leadership Award, recognising its long-term work on biodiversity conservation, ecosystem restoration and landscape-level partnerships.

These developments provide an important proof point for &Green's investment strategy. They illustrate how an embedded SVCP can support a portfolio company-level transition.

### WHAT IS SPOTT?

SPOTT — the Sustainability Policy Transparency Toolkit — is an independent assessment run by the Zoological Society of London (ZSL). Please find more info on ***spott.org***

*[2] We use the legacy name ESAP here, given the name change to SVCP only from 2025 onwards and the ESAP closed in 2023. DSNG's ESAP and LPP documents can be found on the DSNG page of &Green's website.*

# MBRF

## (PREVIOUSLY MARFRIG)

| | |
|---|---|
| **PORTFOLIO COMPANY** | MBRF (Previously Marfrig Global Foods S.A.) |
| **GEOGRAPHY** | Brazil |
| **COMMODITY** | Animal Proteins |
| **INSTRUMENT TYPE** | Senior unsecured loan |
| **TOTAL COMMITTED EXPOSURE** | USD 30 million |
| **TENOR** | 10 years |
| **INVESTMENT DATE** | January 2021 |
| **CURRENT STATUS** | Performing (ECL Stage 2)* |

**Expected Credit Loss (ECL) impairment method, explained in Chapter 07, Fund Performance.*

# SVCP & IMPACT METRICS*

**Please note that the KPIs are under ongoing verification*

**E&S RISK**

A

**FOREST PROTECTED**

2,085,611.5 ha

**CLIMATE BENEFITS**

16,523,769 $tCO_2e$

**ECOSYSTEM WITH IMPROVED RESILIENCE**

2,093,126.5 ha

**PEOPLE BENEFITTING**

17,964

**PEOPLE RESILIENCE**

7,099

# ANNUAL REVIEW

## INVESTMENT RATIONALE

&Green partnered with MBRF (previously Marfrig), one of the three biggest meat processors in Brazil, to enable and implement its transition to deforestation-free cattle production across various levels of the Brazilian beef sector.

A no-deforestation requirement from a market-leading meatpacker like MBRF will trigger significant impact on the land and on its people. It will result in the substantial inclusion of the company's suppliers into truly sustainable global value chains bolstered by improved access to technical assistance and financial services.

MBRF's commitments are described in its SVCP.[3] Through this, MBRF is contractually committing to achieve a full deforestation-free supply chain, including indirect suppliers, and for both the Amazon and Cerrado biomes.

## YEAR IN REVIEW

### COMMERCIAL PERFORMANCE

During the year, Marfrig completed the legal integration of BRF, creating MBRF Global Foods Company S.A. The combined group is a broader, more diversified animal-protein platform with exposure across beef, poultry, and processed foods. This integration expands the group's product mix, geographic footprint, and earnings base beyond its historic concentration on beef.

The credit profile improved structurally as the company is now more diversified across other proteins, though the SAIL team maintains ECL Stage 2, reflecting ECL methodology rather than a deterioration in credit quality.

*With the integration of BRF, the company is now much larger, more diversified, and entering a deleveraging phase, and BRF performance is strong.*

### SVCP PERFORMANCE

The year's defining milestone was the completion of 100% cattle traceability across all three supplier tiers – origin (Tier 1), rearing (Tier 2) and breeding (Tier 3) – in every Brazilian biome in which MBRF operates, achieved by December 2025. MBRF is the first large company in the Latin American cattle sector to reach full traceability across direct and indirect suppliers. It is a major achievement, and puts MBRF on its own as a blueprint for the sector.

The area of forest conserved on approved suppliers' farms reached approximately 2.08 million hectares of native vegetation, comparing to the minimum commitment of 1.2 million hectares. The partnership with the IDH Sustainable Production of Calves Program achieved 7,349 hectares of sustainably intensified pastureland. In addition, 253 smallholders benefitted from technical assistance and inclusion initiatives.

The forest restoration program is being implemented through pilot programmes with IDH. IDH's Re-insertion Program and the Cabeceiras do Pantanal partnership with WWF are behind the initially planned schedule, but now gaining momentum.

MBRF maintained 100% compliance in its 2025 third-party Brazil's Public Prosecutor's Office (MPF) audit cycle, consistent with its record since 2010.

[3] *SVCP replaces ESAP and LPP as of 2025, both these documents can be found on the MBRF page on &Green's website.*

# FUELING SUSTAINABILITY

## FS

| | |
|---|---|
| **PORTFOLIO COMPANY** | FS Agrisolutions Indústria de Combustíveis Ltda. (FS) |
| **GEOGRAPHY** | Brazil (Mato Grosso) |
| **COMMODITY** | Grains and Oilseeds |
| **INSTRUMENT TYPE** | Senior unsecured loan |
| **TOTAL COMMITTED EXPOSURE** | USD 30 million |
| **TENOR** | 8 years |
| **INVESTMENT DATE** | June 2022 |
| **CURRENT STATUS** | Performing (ECL Stage 1)* |

**Expected Credit Loss (ECL) impairment method, explained in Chapter 07, Fund Performance.*

# SVCP & IMPACT METRICS*

**Please note that the KPIs are under ongoing verification*

**E&S RISK**

A

**FOREST PROTECTED**

1,301,816.1 ha

**CLIMATE BENEFITS**

4,207,205 $tCO_2e$

**ECOSYSTEM WITH IMPROVED RESILIENCE**

1,347,914.2 ha

**PEOPLE BENEFITTING**

5,316

**PEOPLE RESILIENCE**

4,330

## INVESTMENT RATIONALE

In Mato Grosso, soy is one of the main drivers of deforestation. In recent years, Brazilian corn has emerged as a secondary crop to soybeans and the considerable expansion of its production in the region has been driven by the intensification of soy producing areas.

The commitments undertaken by FS will drive the transformation of sourcing practices used by corn producers in MT, and, by implication, the production practices of soy producers from whose farms the corn is sourced as a second crop. FS' commitments have been detailed in its SVCP developed together with &Green.[4]

As part of the company's sustainable sourcing strategy, current and future suppliers will be required to conserve their forests to be regarded as eligible suppliers of FS' production plants. Consequently, corn production in this area, and by virtue soy production, will need to be deforestation-free, a commitment that has historically been difficult to secure from Brazilian soy producers.

*With this investment, &Green aims to showcase a model where climate change mitigation, food production and forest protection are integrated through sustainable intensification of land and transformation of sourcing practices in the Amazon and Cerrado biomes, where FS operates.*

[4] *SVCP replaces ESAP and LPP as of 2025, both these documents can be found on the FS page on &Green's website.*

# YEAR IN REVIEW

## COMMERCIAL PERFORMANCE

During 2025, FS continued to optimise its production facilities, unlocking additional volumes through improved plant efficiencies. FS started exporting to the international market, exporting DDG5 to South East Asia and some ethanol to the US and Asia. Continued investment into improving plant facilities allowed FS to grow production capacity and ethanol volumes.

The commercial relevance of FS's sustainability strategy is becoming increasingly visible. Through its ISCC CORSIA Low LUC Risk certification, FS is positioned to supply ethanol into sustainable aviation fuel value chains that require robust traceability and low land-use-change risk. The company also advanced certification of technical corn oil for international biofuel markets.

### WHAT IS THE ISCC CORSIA LOW LUC RISK CERTIFICATION?

The ISCC CORSIA Low LUC Risk certification is an ICAO-approved sustainability standard for Sustainable Aviation Fuel (SAF) feedstocks. Please find more info on ***iscc-system.org***

FS continued to expand its secured sourcing of renewable biomass through dedicated eucalyptus plantations in Mato Grosso, in line with its SVCP. This strengthens the company's long-term energy security, reduces reliance on external biomass markets, and supports access to international low-carbon fuel markets that increasingly require traceable and renewable energy sources.

FS's credit quality improved during the year, supported by stronger profitability, despite high debt associated with an ongoing expansion phase.

## SVCP PERFORMANCE

FS continued to make progress against the commitments set out in its SVCP. Through implementation of its NDPE policy, supplier screening and farm-level traceability, the supplier base associated with FS's sourcing network conserved 1.3 million hectares of native forests, substantially above the minimum commitment of 168,000 hectares.

The company also expanded its renewable biomass base to 47,526 hectares of eucalyptus and bamboo plantations, compared with a minimum commitment of 16,000 hectares. This supports a secure and traceable source of biomass for its ethanol operations, reducing reliance on external biomass markets.

In addition, FS advanced its Restoration Program, bringing 1,728 hectares under restoration through the engagement of suppliers, compared with a minimum commitment of 800 hectares.

FS also completed a key governance milestone by strengthening its environmental and social management systems and achieving alignment with the IFC Performance Standards, as independently verified by a third party.

*This provides a strong foundation for managing sustainability risks and supporting the company's long-term growth strategy.*

# EXPORT TRADING COMPANY LTD.

## ETG

| | |
|---|---|
| **PORTFOLIO COMPANY** | Export Trading Company Ltd. (or ETC) Group (ETG) |
| **GEOGRAPHY** | Global operations; &Green impact focus: Ivory Coast |
| **COMMODITY** | Cocoa |
| **INSTRUMENT TYPE** | Senior unsecured loan |
| **TOTAL COMMITTED EXPOSURE** | USD 30 million |
| **TENOR** | 8 years |
| **INVESTMENT DATE** | December 2023 |
| **CURRENT STATUS** | Performing (ECL Stage 1)* |

**Expected Credit Loss (ECL) impairment method, explained in Chapter 07, Fund Performance.*

# SVCP & IMPACT METRICS*

**Please note that the KPIs are under ongoing verification*

**E&S RISK**

B

**FOREST PROTECTED**

30,000 ha

**CLIMATE BENEFITS**

59,380 $tCO_2e$

**ECOSYSTEM WITH IMPROVED RESILIENCE**

93,201 ha

**PEOPLE BENEFITTING**

52,643

**PEOPLE RESILIENCE**

52,643

# ANNUAL REVIEW

## INVESTMENT RATIONALE

Through its investment into ETG, &Green aims to support the adoption of a landscape-based approach to manage supply chain impacts and risks associated with cocoa production; to ultimately eliminate deforestation, while protecting existing forests and biodiversity, through the inclusion of smallholder cocoa farming communities in Ivory Coast.

Ivory Coast is the largest producer of cocoa beans globally. Cocoa production is dominated by smallholder farmers and plays a key role for communities' livelihoods. At the same time, agriculture contributes to 62% of deforestation in the country, of which nearly 40% is driven by cocoa production.

ETG' commitments have been detailed in its SVCP. Their commitments will drive the transformation of its sourcing practices as well as of its local traders from whom ETG buys cocoa, and, by implication, the livelihoods and practices of cocoa smallholder communities.

To secure a 100% traceable, NDPE-compliant and inclusive cocoa supply chain, ETG will establish a framework for designing landscape-based interventions to address NDPE-related risks in sourcing regions where they are the highest. After selecting its high-risk sourcing landscapes, ETG will develop tailored sustainability programs, and set outcome and impact targets to demonstrate tangible impact on land use.

## YEAR IN REVIEW

### COMMERCIAL PERFORMANCE

ETG remained a performing credit exposure during the year, with operating performance broadly consistent with expectations at investment and a steady credit rating. The business continued to benefit from its diversified commodity platform, with revenue growth supported by agri-inputs segments and improved revenues from selected agricultural commodities, including coffee, cashews, and rice.

*Trading volumes have continued to increase since investment, with stable revenues and profitability.*

The cocoa sustainability programme continued to strengthen ETG's position in a market where buyers continue to demand greater traceability and transparency across supply chains. By improving visibility over sourcing areas and strengthening sustainability controls, ETG is building capabilities that support long-term customer relationships and access to markets with evolving sustainability requirements.

### SVCP PERFORMANCE

ETG progressed its SVCP for cocoa sourcing in Ivory Coast. The programme focuses on strengthening traceability, supplier controls and landscape-level risk management to support a deforestation-free and NDPE-compliant cocoa supply chain.

During the year, ETG put in place several core elements of this approach, including updated Cocoa Sourcing Guidelines, a risk map, supplier due diligence tools and geospatial monitoring to identify and manage environmental risks in priority sourcing areas. ETG also reached over 52.6 thousand farmers through extension services, such as NDPE sensitisation, certification training and livelihood-support activities.

Progress was also made on environmental, health and safety management, including supplier and warehouse-level controls. Some implementation areas progressed more slowly while additional EHS capacity was recruited, but the workstream remains on track.

# PHUC SINH CORPORATION

| | |
|---|---|
| **PORTFOLIO COMPANY** | Phuc Sinh Corporation |
| **GEOGRAPHY** | Vietnam |
| **COMMODITY** | Coffee |
| **INSTRUMENT TYPE** | Senior secured loan |
| **TOTAL COMMITTED EXPOSURE** | USD 15 million |
| **TENOR** | 7 years |
| **INVESTMENT DATE** | August 2024 |
| **CURRENT STATUS** | Performing (ECL Stage 1)* |

**Expected Credit Loss (ECL) impairment method, explained in Chapter 07, Fund Performance.*

# SVCP & IMPACT METRICS**

***First full year of implementation of Phuc Sinh's SVCP*

**E&S RISK**

B

**FOREST PROTECTED**

N/A

**CLIMATE BENEFITS**

N/A

# ANNUAL REVIEW

## INVESTMENT RATIONALE

Vietnam is the largest producer of the Robusta coffee in the world, accounting for 40% global market share. Most of the Robusta coffee production takes place in the Central Highlands.

In these Central Highlands, Robusta coffee production faces significant challenges due to climate change and its impacts on agriculture. As rainfall patterns shift and droughts increase, water resources are likely to become insufficient for current farming practices, leading to the over-exploitation of surface and groundwater. By 2050, climate models suggest that areas currently suitable for Robusta cultivation could shrink by almost 50%. As a result, Robusta farming may shift to higher altitudes, where remaining forests are located, potentially accelerating deforestation.

To tackle this problem, &Green has partnered with Phuc Sinh to enhance its supply chain management, establish an NDPE monitoring system, and upgrade the company's supply chain management practices to align with EUDR standards. Through its direct engagement with farmers, Phuc Sinh play a crucial role setting a blueprint of E&S management for local actors on the ground, preparing them for EUDR requirements.

The transaction includes a landscape-level mapping for its high-risk areas where Phuc Sinh will also geolocate 300 EUDR-compliant suppliers and help them access European markets.

Furthermore, with the support from &Green, Phuc Sinh will deliver farm-level traceability and NDPE compliance for the coffee suppliers participating in its Sustainability Program by 2025, making it compliant with EUDR requirements.

*In a final step, Phuc Sinh will develop GIS-based NDPE risk maps for its conventional coffee supply chain as well, achieving complete landscape-level traceability by 2028.*

# YEAR IN REVIEW

## COMMERCIAL PERFORMANCE

After a strong 2024, the year 2025 started with tougher conditions for Phuc Sinh, due to severe drought in Vietnam's coffee growing regions.

*However, performance recovered during the year as the business cycle approached completion, and the company ended 2025 with record revenues.*

The company closed the year with a stable credit rating, and met all financial covenants, with leverage and liquidity metrics strengthening over the year. Nevertheless, given the consistent but increasing volatility in the coffee market – often due to climate events - the exposure remains subject to close monitoring.

## SVCP PERFORMANCE

2025 was the first full year of implementation of Phuc Sinh's SVCP. During the year, the company established the foundations needed to strengthen sustainability performance across its operations and supply chain, including environmental and social management systems, enhanced traceability processes and adding additional sustainability expertise.

Phuc Sinh continued preparing its coffee supply chain for evolving market requirements, including the EU Deforestation Regulation. Progress included the expansion of traceability systems, development of geospatial monitoring capabilities and continued certification activities with suppliers. In line with its commitment to achieve farm-level traceability and NDPE compliance for coffee suppliers participating in its Sustainability Program, Phuc Sinh developed an EUDR compliance assessment procedure and integrated it into its newly established GIS system. The system and its implementation are currently undergoing their first verification. The company also strengthened its approach to climate management through the development and verification of its greenhouse gas accounting system.

In parallel, environmental and social management practices were expanded to support the company's growth plans, including the development of a new processing facility in Dak Nong.

# VALENCY INTERNATIONAL PTE LTD

| | |
|---|---|
| **PORTFOLIO COMPANY** | Valency International Pte Ltd |
| **GEOGRAPHY** | Ivory Coast (regional Africa operations) |
| **COMMODITY** | Cashews |
| **INSTRUMENT TYPE** | Senior secured loan |
| **TOTAL COMMITTED EXPOSURE** | USD 30 million |
| **TENOR** | 8 years |
| **INVESTMENT DATE** | September 2025 |
| **CURRENT STATUS** | Performing (new investment) |

# SVCP & IMPACT METRICS**

***Transaction closed in second half of 2025. KPIs will be reported after the first full year of Valency's SVCP implementation.*

**E&S RISK**

B

**FOREST PROTECTED**

N/A

**CLIMATE BENEFITS**

N/A

# INVESTMENT RATIONALE

Valency is a Singapore-headquartered globally integrated agri-trading and processing company, which has a leading position in global cashew supply chains with a diversified end-market demand. The transaction provides senior-secured financing to support the continued scaling of Valency's operations in the Ivory Coast. The investment embeds a SVCP and NDPE commitment, focused on improving supply chain traceability, strengthening responsible sourcing practices and building a structured sustainability management system aligned with international standards. Together, this enables Valency to scale its operations while decoupling cashew supply chains from deforestation, in line with the mission of &Green.

From a credit perspective, these measures are designed to reduce operational and regulatory risks, strengthen buyer relationships and support durable market access.

# ANNUAL REVIEW

Valency International joined the &Green portfolio in September 2025, expanding the Fund's exposure to a new value chain, and furthering its investment in the Ivory Coast.

As a recent investment, activities during the reporting period focused on establishing the foundations for implementation of the SVCP. However, given that the transaction remains in the early stages of implementation, no deal-level performance results are reported during this year's cycle.

# PT HILTON DUTA LESTARI

## HDL

| | |
|---|---|
| **LOAN STATUS** | **EXITED** |
| **PORTFOLIO COMPANY** | PT Hilton Duta Lestari |
| **GEOGRAPHY** | Indonesia |
| **COMMODITY** | Palm oil |
| **INSTRUMENT TYPE** | Senior secured loan |
| **TOTAL COMMITTED EXPOSURE** | USD 12 million |
| **INVESTMENT DATE** | May 2022 |
| **CURRENT STATUS** | Fully repaid (October 2025) |

# SVCP & IMPACT METRICS*

**Please note that the KPIs are under ongoing verification*

**E&S RISK**

A

**FOREST PROTECTED**

415 ha

**CLIMATE BENEFITS**

20,397 $tCO_2e$

**ECOSYSTEM WITH IMPROVED RESILIENCE**

6,201.8 ha

**PEOPLE BENEFITTING**

4,958

**PEOPLE RESILIENCE**

3,351

# INVESTMENT RATIONALE

Nearly 60% of the CPO produced globally in 2020 originated from Indonesia. Furthermore, the palm oil industry is the largest export commodity for the country. These palm oil supply chains are highly fragmented, opaque, and result in steep price deductions for smallholders; the resulting limited capacity to invest into the productivity of their crops often leads smallholder farmers to encroach other forested areas.

&Green's loan demonstrates that collaboration among supply chain and landscape participants can drive rural economic development, create jobs and safeguard resources and biodiversity. Within Indonesia, HDL's blueprint has the potential to shift the narrative for destructive land-use by adopting transparent models of sustainable and inclusive supply chain sourcing at scale.

HDL's success and replication of the model enables smallholders to achieve higher yields, higher incomes due to their inclusion in best practice supply chains that are deforestation-free and thus able to access global markets.

# ANNUAL REVIEW

PT Hilton Duta Lestari prepaid the facility during the year after delivering substantial progress against its SVCP.

During &Green's investment period, the company constructed a crude palm oil mill and transitioned towards a vertically integrated, NDPE-compliant operating model. It formalised a network of smallholder cooperatives, introduced digital traceability across its fresh fruit bunch supply base and established community conservation agreements to protect forest areas in West Kalimantan.

HDL also strengthened its environmental and social management systems and made significant progress towards alignment with IFC Performance Standards. Independent verification confirmed compliance with core NDPE and IFC Performance Standards requirements, with a limited number of actions remaining.

The exit demonstrates how milestone-linked disbursements and embedded sustainability covenants directly support the transition towards more inclusive and deforestation-free palm oil production while strengthening the underlying business.

*The HDL transaction showcases that private credit can deliver better risk-adjusted credit performance through the integration of a deep sustainability focus.*

# HACIENDA SAN JOSÉ

## HSJ

| | |
|---|---|
| **LOAN STATUS** | EXITED |
| **PORTFOLIO COMPANY** | Hacienda San José |
| **GEOGRAPHY** | Colombia |
| **COMMODITY** | Cattle |
| **INSTRUMENT TYPE** | Senior secured loan |
| **TOTAL COMMITTED EXPOSURE** | USD 7.7 million |
| **INVESTMENT DATE** | March 2022 |
| **CURRENT STATUS** | Fully repaid (December 2025) |

# SVCP & IMPACT METRICS*

**Please note that the KPIs are under ongoing verification*

**E&S RISK**

A

**FOREST PROTECTED**

615 ha

**CLIMATE BENEFITS**

153,485 $tCO_2e$

**ECOSYSTEM WITH IMPROVED RESILIENCE**

13,990.7 ha

**PEOPLE BENEFITTING**

61

**PEOPLE RESILIENCE**

61

# INVESTMENT RATIONALE

&Green's investment in HSJ will help transform the Colombian cattle sector from a low quality, inefficient sector associated with deforestation in the Amazon rainforest, to a sustainable, inclusive, deforestation-free and efficient supply chain that produces high-quality beef.

HSJ intends to expand to have influence over approximately 180,000 hectares of sustainably managed livestock farming, which will include more than 13,000 hectares of forest conservation, as well as material gallery forests; but more importantly, will set the bar for the expansion of sustainable livestock management in Colombia.

HSJ's commitments are detailed in its SVCP. Through this, HSJ committed to the protection and restoration of up to 27,000 hectares of tropical forest in Colombia's underdeveloped Orinoquía region at the end of the loan tenor.

*As &Green's first investment in Colombia, this transaction sends a message about supporting players that operate beyond "Business-as-Usual" from a production and protection perspective.*

# ANNUAL REVIEW

HSJ delivered substantial progress on the blueprint elements of its SVCP, including the ESMS and land acquisition tool, before prepaying the facility ahead of implementation at scale.

During &Green's investment period, the company expanded its sustainable cattle production model through improved pasture management, rotational grazing, enhanced genetics and more disciplined land development. It also advanced forest conservation and restoration across the platform. Its expansion was slower than expected, but mainly do to external macro changes (globally and locally) and HSJ did not compromise on quality of its product or of its sustainability approach.

The company strengthened its governance and environmental and social management systems by establishing a Sustainability Committee reporting in to senior leadership, applying land-acquisition controls, maintaining GANSO certification6, adopting an NDPE policy and introducing supplier-risk mapping, stakeholder-engagement processes and grievance mechanisms.

The exit illustrates how private credit can support the transition towards more productive and sustainable cattle farming while strengthening the underlying business.

CHAPTER 06

# FUND PERFORMANCE

## FINANCIAL REVIEW

Following the implementation of expanded structure for the Fund in 2024, including two new subsidiaries (&Green Fund BV and &Green Fund Vehicle BV), the performance of the Fund was presented on a consolidated basis (including both BVs) for 2025.

The Fund's investment interest income increased by 15% over 2025, driven by the continued growth of the Fund's investment portfolio and the Fund's ability to generate attractive interest rate in its new transactions. The portfolio yielded a return of approximately 7.8%, representing a healthy margin over the Fund's cost of capital. The 2025 net operating result (after financing costs and provisions for impairment) was USD 3.9 million.

The cash flow generated by &Green's operations increased by 32% to USD 6.0 million during 2025. The cash returns that were generated by the investment portfolio comfortably financed the operating expenses and financing costs during the year. By the end of December 2025, a substantial amount of cash and cash equivalents remain on the balance sheet of the Fund – which is earmarked for future investments (USD 133.8 million). As discussed in more detail in the [Portfolio] section of this Annual Report, during 2025 HSJ and HDL prepaid their loans in full (USD 3 million and 12 million respectively, plus accrued interest and prepayment fees) and USD 30 million was disbursed to Valency.

## 2025 NET RESULT BRIDGE

The investment interest income and interest of deposits comprised the revenue which generated the positive result (after operating and financing expenses) of USD 6.2 million before the provisions for impairment (ECL), FX results and taxes are accounted for. The 2025 negative net result of USD 4.8 million was skewed by the unrealised FX losses predominantly relating to the Fund's Norwegian krone (NOK)-denominated grant contribution (for which the USD value increased by USD 9.1 million over 2025 due to the weakening of the USD).

During 2025, the aggregate impact of the changes in credit quality of the loans in the portfolio on the total Expected Credit Loss (ECL) was marginal. The ECL provision for impairment increased by USD 0.2 million as at the end of the year. Financing costs increased by 38% in 2025, reflecting the full-year impact of the USD 80 million first tranche under the Green Climate Fund (GCF) loan facility, which was disbursed to &Green on 31 May 2024 and therefore only attracted a partial year of financing costs in 2024.

Operating costs were approximately 3% higher compared to 2024, but well within the budget set by the Board of Directors (excluding costs financed by the Technical Assistance grants available to the Fund).[7]

In summary, the combination of the above performance drivers resulted in a positive net asset value of USD 3.6 million at the end of the year.

---

## *As at 31 December 2025, five investments (DSNG, ETG, FS, PS and Valency) were assessed and categorized as Stage 1.*

All five assessments consistently remained within Stage 1 throughout the year, with some improving in credit quality resulting in reduced ECL provisions. Meanwhile, MBRF (Marfrig) has been assessed and remains categorized as Stage 2 during 2025, the same category as in December 2024. No investments are currently in Stage 3.

**EXPECTED CREDIT LOSS (ECL) IMPAIRMENT METHOD**

*Stage 1*

Which are Performing Investments with no significant increase in credit risk since investment, and for whom the provision for impairment is equal to the 12 month ECL.

*Stage 2*

Which are Investments for which the credit risk has significantly increased and the provision for impairment is increased to the Lifetime ECL for the investment.

*Stage 3*

Which are Credit Impaired Investments for which the Lifetime ECL has been written off.

[7] *For more information on the Fund's Technical Assistance, please refer to the Appendix.*

CHAPTER 07

# IMPACT KPIs*

**Please note that the KPIs are under ongoing verification*

## *Portfolio outcomes from Sustainable Value Creation*

The Fund measures sustainability performance through its ***MRV Framework***, which tracks the environmental and social outcomes associated with the implementation of portfolio company SVCPs. Core portfolio indicators include forest protection, ecosystem resilience, climate benefits and social outcomes.

**HOW THE KPI FRAMEWORK WORKS**

**SVCP commitments** define what each portfolio company is required to implement.

**Outputs** track implementation, including NDPE progress, IFC Performance Standards alignment, traceability and certification milestones.

**MRV Protocols** define what is measured and evidenced for each transaction.

**Outcomes** measure environmental and social results.

**Portfolio KPIs** aggregate those outcomes across the Fund.

# 2025 IMPACT HIGHLIGHTS

| KPI | Unit | 2025 Result |
|---|---|---|
| **Forest Protected** | Hectares | 3,442,660.6 |
| **Ecosystems with Improved Resilience** | Hectares | 3,634,513.2 |
| **Climate Benefits** | $tCO_2e$ | 21,119,386 |
| **People with Increased Resilience** | People | 76,678 |
| **People Benefitting** | People | 108,032 |

## FOREST PROTECTED

Protection of natural tropical forests under &Green's SVCP

## ECOSYSTEMS WITH IMPROVED RESILIENCE

Rehabilitation, restoration and protection of forests, regenerative agriculture, silvopastoral systems and agroforestry provide improved resilience of livelihoods to individuals.

## CLIMATE BENEFITS

**Mitigation benefits in $tCO_2e$ from:**

- Emission reductions generated from changes in farm management practices.
- Emission sequestration from regrowth and densification in degraded forests.

## PEOPLE WITH INCREASED RESILIENCE

Individuals for whom a stable (ongoing) benefit or service is provided or made possible to improve their livelihoods.

# DEEP DIVE INTO NATURE & CLIMATE

## FORESTS PROTECTED

**3.3 M**

hectares of tropical forests protected under SVCP-related commitments

**48%**

primary/undisturbed forest within areas protected under SVCP-related commitments

**0**

gross deforestation across all portfolio investments in 2025

## PROTECTED ECOSYSTEM

**181,916**

hectares of tropical/ subtropical lowland rainforest

**1.9 M**

hectares of tropical/ subtropical dry forests and thickets

**1,243**

hectares of tropical heath forests

**443,649**

hectares of tropical flooded forests and peat forests

## PROTECTED BIOMES

**1.61 M**

hectares of the Amazon

**1.64 M**

hectares of the Cerrado

## THREATENED SPECIES HABITATS SAFEGUARDED

**17**

Critically endangered species

**37**

Endangered species

**77**

Vulnerable species

Detailed methodologies, data definitions and disclosures are provided in the Fund's ***MRV Framework***, voluntary ***SFDR disclosures*** and integrated ***TNFD/TCFD Report***.

CHAPTER 08

# FUNDING

## CAPITAL FORMATION

&Green's capital base combines grants, redeemable grants and concessional loans from the Stichting's contributors with private institutional capital, which can access the strategy through the &Green Note Issuance.

## THE &GREEN NOTE

From May 2025, the &Green Note was made available to institutional investors. The Note is issued under a EUR-denominated programme with an ISIN, settled and cleared through Clearstream and Euroclear. It is senior and unsecured, with a seven-year tenor and a semi-annual coupon of EUR 7.5% p.a. and carries an indicative pre-rating of A/A- assigned by Creditreform (the pre-rating was converted into a full-rating of A / stable by June 2026).

On 21 May 2025, the Fund concluded its first subscription agreement, with a German institutional investor, for EUR 9 million. This exposure is converted to USD and hedged back to EUR using a rolling forward-contract programme. Interest in the Note since launch has been encouraging and, based on current discussions, the Fund expects continued take-up through 2026.

## CO-INVESTMENT

During 2025, SAIL Investments developed the structure and operational capability to offer co-investment alongside the Fund, and completed its first co-investment in a portfolio transaction during the year. This co-investment allowed a private institutional investor in &Green to also take a direct, transaction-level exposure on terms aligned with (and sustainability requirements equal to) the Fund, complementing the pooled access provided by the &Green Note. Establishing this capability broadens the routes through which institutional capital can participate in the strategy and provides a template that could, over time, accommodate larger investors seeking tailored exposure to individual transactions alongside the Fund.

# CONTRIBUTORS

As at 31 December 2025, &Green approached USD 400 million committed through grants, redeemable grants, concessional debt and Notes from its contributors.

| CONTRIBUTOR | TYPE OF CAPITAL | COMMITTED (USD M) |
|---|---|---|
| NICFI | Grant | 94.8 |
| Green Climate Fund (GCF) | Concessional Loan | 180.0 |
| Central African Forest Initiative (CAFI) | Redeemable Grant | 42.0 |
| FMO — Mobilising Finance for Forests (MFF) | Concessional Loan | 33.3 |
| FMO | Concessional Loan | 25.0 |
| Private Institutional Investor | Concessional Loan | 2.5 |
| Unilever | Redeemable Grant | 10.0 |
| UNEP | Redeemable Grant | 2.0 |
| **Contributor Capital** | | **389.6** |
| &Green Note – First Institutional Subscription | Senior Note | 10.5 |
| **Total** | | **~400.1** |

*GCF's USD 180.0 million comprises USD 80.0 million drawn and USD 100.0 million committed but undrawn (conditional). The &Green Note subscription represents the EUR 9 million placed in May 2025. Technical assistance funding is in addition to these amounts and is described separately in the Appendix. The co-investment completed alongside the Fund during the year is excluded from this table and is not separately disclosed.*

*The Fund remains grateful for the continued support and long-term commitment of its capital partners and contributors, whose support since inception has enabled the development of the strategy and the expansion of the &Green Fund in transforming agricultural supply chains.*

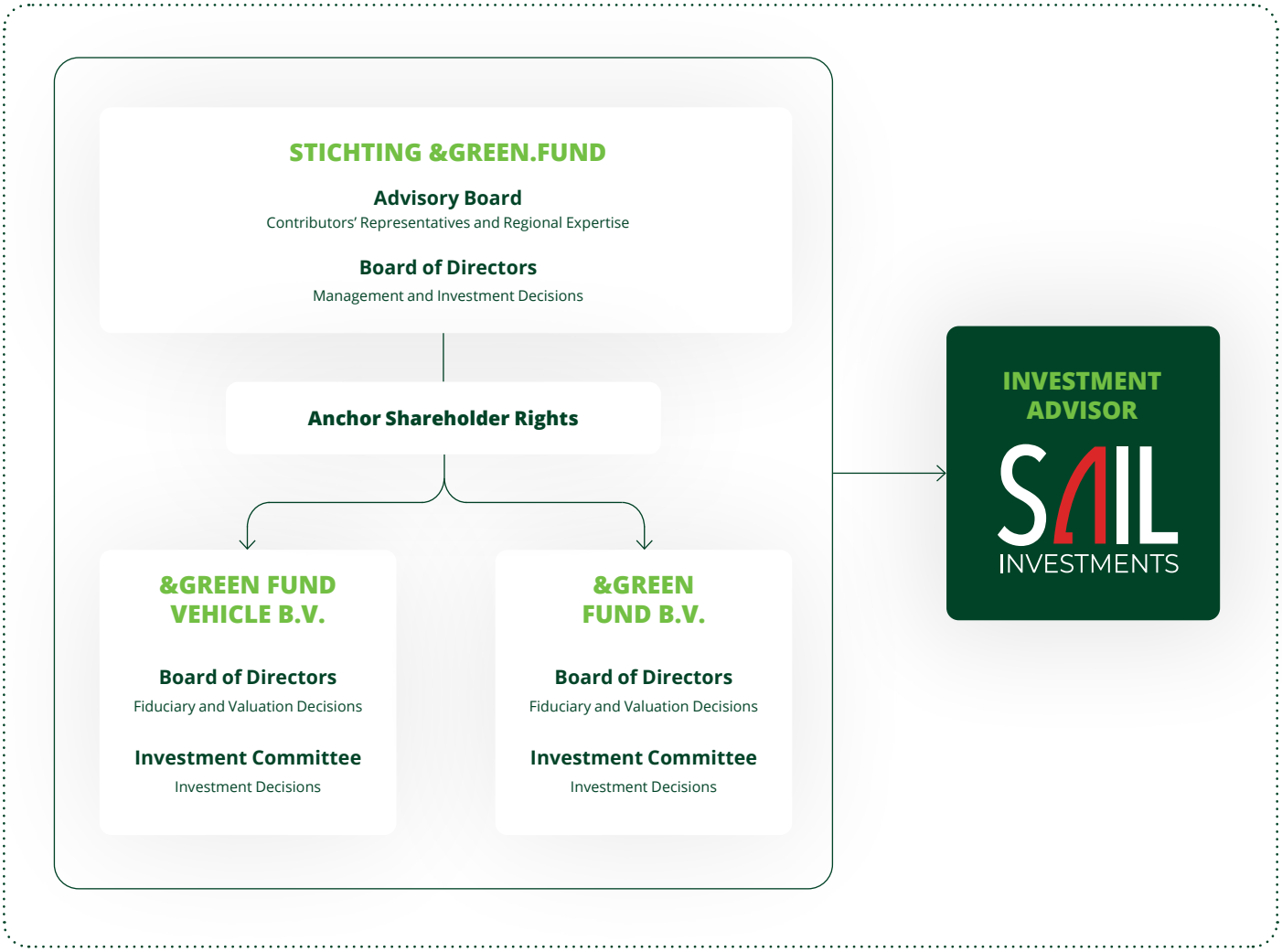
CHAPTER 09

# GOVERNANCE

*&Green is a Foundation ("Stichting"), established in the Netherlands in 2017.*

Its governance structure is designed to safeguard the environmental and social return alongside the financial and commercial sustainability of the Fund and its investments. It comprises an Advisory Board, a Board of Directors and an Investment Committee, supported by SAIL Investments as Investment Advisor. Full descriptions of each body's role and responsibilities, and the profiles of their members, are available on ***&Green's Website***.

## &GREEN GOVERNANCE STRUCTURE



# GOVERNANCE BODIES

*The Advisory Board welcomed two new Class T members in 2025.*

Carlos A. Klink was appointed for a first term commencing 3 June 2025 and ending on 2 June 2029. Zac Goldsmith was appointed for a first term commencing on 10 September 2025 and ending on 9 September 2029. With these changes, the total number of members on &Green's Advisory Board is seven. A new Class T representative from Indonesia, a key jurisdiction for &Green, has subsequently been appointed in early 2026. More information about the Advisory Board member profiles is available on &Green's website.

The Board of Directors remained stable throughout the year, with no changes to the existing three members. This continuity supported consistent oversight of the Fund's strategy, governance, risk management and portfolio development.

The Board met four times in 2025, including twice in person, in June and December. Discussions focused on capital deployment, portfolio performance, risk oversight, the continued development of the &Green Note, and the Fund's readiness to serve a broader institutional investor base.

# GOVERNANCE POLICIES

The Stichting, and both BVs adopted a fully updated framework AML/CFT policy to which all three entities are subject. Mr. Nanno Kleiterp is the duly appointed AML/CFT Compliance Officer of all three entities under such framework AML/CFT Policy.

Furthermore, in the course of 2025, both BVs adopted the following policies of the Stichting (as amended from time to time) in their entirety for consistency of policy and practice within the &Green structure: (1) Investment Principles; (2) Procurement Policy; (3) Travel and Expenses Policy; (4) Complaints Management Policy and (5) Code of Conduct.

Such adoption was made subject to any contextual changes and interpretation required in light of the terms of the constitutional documents, contractual agreements and circumstances of each entity.

CHAPTER 10

# APPENDIX

## RELATED REPORTS AND PUBLICATIONS

Further detail on the Fund's financial performance, sustainability approach, regulatory disclosures and methodologies is available through the following materials.

| REPORT / DISCLOSURE | PUBLICATION STATUS | LINK / AVAILABILITY |
|---|---|---|
| Annual Financial Statements | Published | *PDF Link* |
| Voluntary SFDR Article 9 periodic disclosure | Published | *PDF Link* |
| PAI Statement | Published | *PDF Link* |
| TNFD / TCFD report | Published | *PDF Link* |
| PRI Assessment Report | 2024 Report Published | *PDF Link* |
| UN Global Compact Communication on Progress | Scheduled (31 July 2026) | *Separate Attachment* |
| MRV Framework | Published | *PDF Link* |

## STRATEGIC PARTNERSHIPS AND ASSOCIATIONS

*&Green works in close collaboration with initiatives and organisations dedicated to protecting and restoring nature and biodiversity. All of the Fund's collaborations are on a non-exclusive basis*

### FINANCE FOR BIODIVERSITY FOUNDATION (FFB)

The FfB Foundation drives biodiversity action by financial institutions through the Finance for Biodiversity Pledge and the FfB Hub, supported by programmes such as FABRIC and the Finance for Nature Positive Programme. SAIL is a signatory and Hub participant, engaging in the Foundation's collaboration and knowledge-sharing to advance the integration of nature into financial decision-making.

### IDH

IDH and &Green collaborate under a Memorandum of Understanding setting out their joint ambition to remove deforestation from agricultural commodity supply chains. In 2025, SAIL and IDH deepened this partnership to deploy technical assistance funded by the GCF across eleven countries as described below, building the enabling environment for the Fund's investments.

### INNOVATIVE FINANCE FOR THE AMAZON, CERRADO AND CHACO (IFACC)

Launched at COP26 by The Nature Conservancy, the Tropical Forest Alliance and the UN Environment Programme, IFACC works to scale finance for deforestation- and conversion-free agriculture in South America's most threatened biomes. &Green is a signatory to the IFACC Commitment Agreement and participates in its exchanges between financiers and on-the-ground projects, sharing the Fund's approach to embedding sustainability in credit.

### INVESTORS POLICY DIALOGUE ON DEFORESTATION (IPDD)

&Green regularly participates in discussions of the TFA/WEF convened IPDD. IPDD is an investor-led engagement initiative that aims to halt deforestation in the most vulnerable biomes of the world. It is engaging with sovereigns on deforestation. &Green participates in dialogues on Indonesia, Brazil and for consumer countries.

### NATURAL CAPITAL INVESTMENT ALLIANCE (NCIA)

Announced at COP26, the NCIA works to establish natural capital as a mainstream investment theme and to mobilise private capital from the global investment-management industry towards natural-capital opportunities. SAIL engages with the Alliance to help position natural capital as an investable theme and to share the Fund's experience of financing it in practice.

### SUSTAINABLE MARKETS INITIATIVE (SMI)

The SMI works to accelerate the transition to a sustainable economy by placing nature, people and planet at the heart of value creation, with an emphasis on mobilising private investment. SAIL is an active member, contributing the Fund's experience of structuring private credit that delivers both financial and nature outcomes.

### UN ENVIRONMENT PROGRAMME (UNEP)

&Green's strategic partnership with UNEP's Sustainable Land-use Finance team supports the exchange of tools and instruments and amplifies the Fund's case studies to a broader audience. &Green participates in learning workshops on best practice in impact assessment and management.

# TECHNICAL ASSISTANCE

Since 2019, &Green has benefitted from a range of Technical Assistance (TA) facilities and funding partnerships that support its investment activities. These facilities operate under their own governance structures and allocation processes. TA support is managed by SAIL Investments and, in some cases, co-operated in partnership with IDH.

To date, c. USD 19.6 million has been committed from key partners including NICFI, GCF, CAFI and the Ford Foundation.

In 2025, SAIL signed a partnership agreement with IDH to deploy part of the USD 9.4 million GCF TA grant committed to the &Green Fund in 2024. The capital will be used to support the enabling environment for forest protection and climate-resilient commodity production across 11 countries. In five countries where IDH has an active presence (Colombia, Brazil, Ivory Coast, Cameroon, and Indonesia), the partnership developed country strategic plans to deliver policy dialogue and technical cooperation aligned with &Green's target sectors. In the remaining six countries where IDH has no established presence (Liberia, Gabon, DRC, Zambia, Laos, and Ecuador) the partnership then initiated market studies covering macroeconomic conditions, sustainability transition pathways in target sectors, and mapping of companies to new investments, with Ecuador and Gabon as the starting point in 2025.

Through the Mobilising Finance for Forests (MFF) TA facility, &Green received targeted support to redesign the &Green Fund's Monitoring, Reporting

and Verification (MRV) system, moving from verified portfolio company self-reporting to a verified, polygon-level geospatial framework capable of supporting portfolio-level impact assurance. The scope of this support covered three workstreams: 1) development of standardized geospatial data protocols and quality assurance procedures for portfolio company-submitted shapefiles; 2) introduction of a single-verifier model to replace fragmented third-party verification across the portfolio; and 3) the design of SVCP verification procedures aligned with ISAE 3000-standards for non-geospatial data. The resulting framework will translate SVCP covenants into measurable outputs and outcomes across nature and climate.

TA funding received from CAFI in 2024 was used by the &Green Fund primarily for origination support.

Throughout the year, &Green's origination efforts in the CAFI region were structured around four complementary workstreams:

1. the mobilisation of specialised advisory support for pipeline development and market analysis;
2. origination missions in the region;
3. strengthened collaboration with IDH to facilitate engagement with local financial institutions;
4. and the recruitment of a dedicated originator for the CAFI geographies.

Across all four workstreams, there was significant progress made in 2025 in DRC, Cameroon, and Gabon. Several potential investment opportunities have been identified and preliminary discussions with key stakeholders were initiated.

**More information on TA facilities is found in the financial audit report.**

# A NOTE ON TERMINOLOGY: FROM ESAP/LPP TO SVCP

From 2025, &Green uses the term Sustainable Value Creation Plan (SVCP) in place of the terms used in earlier reports: the Environmental and Social Action Plan (ESAP) and the Landscape Protection Plan (LPP).

The change is one of name, not of substance, and the new name reflects how &Green understands these plans. The commitments that a portfolio company makes in the SVCP - on traceability, forest protection, restoration, sourcing and governance - are not compliance overlays but actions that strengthen the business and create durable, long-term value. "Sustainable Value Creation" correctly captures that purpose. The underlying commitments, the covenants in which they sit, and &Green's investment and monitoring processes are unchanged.

For continuity and comparability: SVCP corresponds to the ESAP and LPP referred to in prior reports and in the Fund's regulatory and methodology documents, which continue to use those terms. The relevant ESAP and LPP remain publicly available on the deal pages of &Green's website, where they continue to be referred to by their agreed names at the time of contracting. All deals from 2025 onwards will use SVCP. References to ESAP or LPP elsewhere should be read accordingly.

# GLOSSARY

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|---|---|
| **&Green / the Fund** | The &Green Fund |
| **AFi** | Accountability Framework initiative |
| **Blueprint** | Blueprints are commercially viable, sustainable practices that clients prove in the market and others can replicate, helping to drive transformational change. |
| **Climate Benefits** | Portfolio-level KPI measuring estimated climate-related outcomes associated with financed activities, expressed in $tCO_2e$ |
| **ECL** | Expected Credit Loss |
| **ESAP** | Environmental and Social Action Plan; legacy or transaction-specific terminology used in certain documents |
| **ESMS** | Environmental and Social Management System |
| **EUDR** | European Union Deforestation Regulation |
| **Enabling Environment** | The supportive conditions to allow forest protection and climate-resilient production to succeed |
| **Forest Protected** | Portfolio-level KPI measuring eligible natural forest and forest restoration areas within the financed scope where verified protection or restoration management is active |
| **Forward-looking** | A covenant in the legal agreement which refers to a future |
| **Sustainability Covenants** | Sustainability milestone or target which must be delivered by the agreed time in order to remain compliant with the loan, and thus not in breach |

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| **IFC PS** | International Finance Corporation Performance Standards |
| **Impact KPIs** | Portfolio-level indicators used to report sustainability outcomes associated with SVCP implementation |
| **JECA** | Jurisdictional Eligibility Criteria Assessment |
| **LPP** | Landscape Protection Plan; legacy or transaction-specific terminology used in certain &Green disclosures |
| **MRV** | Monitoring, Reporting and Verification |
| **NDPE** | No Deforestation, No Peat, No Exploitation |
| **Nature Positive** | Ensuring there is more nature globally in 2030 than in 2020, and continued recovery |
| **Natural Capital** | Natural assets—including forests, soils, water and biodiversity—that provide essential environmental and economic value |
| **Natural Capital Investing** | Refers to investments which includes the protection, restoration or sustainable use of the world's stock of natural assets, such as forests, soil, water |
| **PAI** | Principal Adverse Impact under SFDR |
| **People Benefitting** | Portfolio-level KPI measuring annual beneficiaries reached through services, inclusion actions or other interventions linked to financed activities |
| **People with Increased Resilience** | Portfolio-level KPI measuring people receiving stable, ongoing benefits that improve livelihood resilience and are linked to financed activities |
| **SFDR** | Sustainable Finance Disclosure Regulation |

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| **SVCP** | Sustainable Value Creation Plan; portfolio company-specific transition framework embedded in loan documentation through sustainability covenants (previously known as LPPs and ESAPs) |
| **TCFD** | Task Force on Climate-related Financial Disclosures |
| **TNFD** | Taskforce on Nature-related Financial Disclosures |
| **Transformation** | The system-level result that those individual transitions add up to. A whole supply chain, sector or landscape shifting to a more sustainable model |
| **Transition** | The deliberate operational change that a portfolio company makes — improving traceability, protecting forest, adopting deforestation-free sourcing, strengthening land-use governance. |
| **GCF** | Green Climate Fund |
| **CAFI** | Central African Forest Initiative |

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