Our
Approach to Impact

August 2026

AgDevCo

Contents

1. Purpose of this document

AgDevCo is an impact investor. That means development impact is not a by-product of what we do — it is part of the purpose. We are accountable to our investees and our funders to be honest and clear about what we measure, how we measure it, what it tells us, and where it falls short.

This document explains our approach to impact. It sits alongside the Technical Addendum to our Annual Report, which provides indicator definitions and technical assumptions. Together they are intended to give a clear picture of how we think about impact, what assumptions we make, and what the numbers do and do not mean. It should be read alongside AgDevCo's Investment Policy and Procedures (IPP), which sets out the formal policy basis for Development Impact and uses the same defined terms.

In line with the IPP, we use "Development Impact" or "DI" throughout this document as the formal term for the positive change AgDevCo's capital and support bring about for people, markets and the environment.

We report gross portfolio company impact figures as our headline numbers, that is the estimated total development impact footprint of the investee companies in our portfolio. In many cases we use estimates and data supplied by our investee companies which has not been verified independently. We also report on attributed impact, where DI is apportioned according to our share of investment capital, and a number of our KPIs are based on attributed impact. The table below summarises how our approach aligns with key external frameworks and standards.

Framework / Standard	How AgDevCo aligns
Impact Performance Reporting Norms	Founding adopter (2025). This document is designed to support disclosure aligned with the Norms' six reporting sections.
Operating Principles for Impact Management (OPIM)	Platinum-rated practice leader by BlueMark (2023). OPIM principles are embedded in our investment process from origination through exit. BlueMark Fund ID Platinum rated 2024, 2025.
IRIS+ / GIIN	Our impact indicators are aligned with IRIS+ metrics. We report FTE jobs, SHF engagement, compensation, revenue and GHG emissions using IRIS+-compatible definitions.
UN Sustainable Development Goals	We report against SDGs 1, 2, 5, 8, 12 and 13. SDG alignment is identified at deal level and tracked through monitoring.
2X Challenge	We were awarded 2X Challenge Flagship Fund status when evaluated. Portfolio target: at least 30% meeting the 2019 2X criteria (existing deals); at least 50% of new deals meeting the updated 2024 2X criteria.

Framework / Standard	How AgDevCo aligns
BOLD Criteria (formerly BAfRep)	At least 30% of our portfolio is required to meet BOLD criteria. This term was formerly referred to internally as BAfRep (Black African Representation).
TCFD / PCAF	Used for GHG attribution and impact attribution. Our carbon accounting methodology was externally audited by Anthesis in 2022.
IFC Performance Standards	Our ESG requirements for investees are aligned with IFC Performance Standards.

2. What we are trying to achieve

AgDevCo's purpose is to build great companies that deliver positive impact at scale, while generating returns for our investors. Our primary focus is increasing incomes and economic opportunities for rural households in lower and lower-middle-income countries in sub-Saharan Africa, and we pursue connected impact objectives across five main themes.

- **Livelihoods and income —** creating and sustaining decent jobs; increasing incomes and revenue for smallholder farmers, traders and customers engaged with our investees.
- **Food security and nutrition —** investing in the local production and distribution of affordable, nutritious food, particularly affordable quality proteins.
- **Gender and diversity —** increasing opportunities for women and Black Africans as entrepreneurs and business owners, as employees, and as value chain participants. We mainstream gender equality throughout the investment process and impact framework.
- **Climate resilience and sustainable agriculture —** supporting adaptation and resilience and improving carbon efficiency across our portfolio.
- **Market development and transformational change —** catalysing new industries, attracting private capital and demonstrating commercial viability in underserved markets and geographies.

Our impact objectives are embedded in our investment policy and procedures, our Theory of Change (ToC), and our management incentive structure. They are not aspirational statements, they are criteria that shape which investments we make and how, what we require of our investees, and how we judge our own performance.

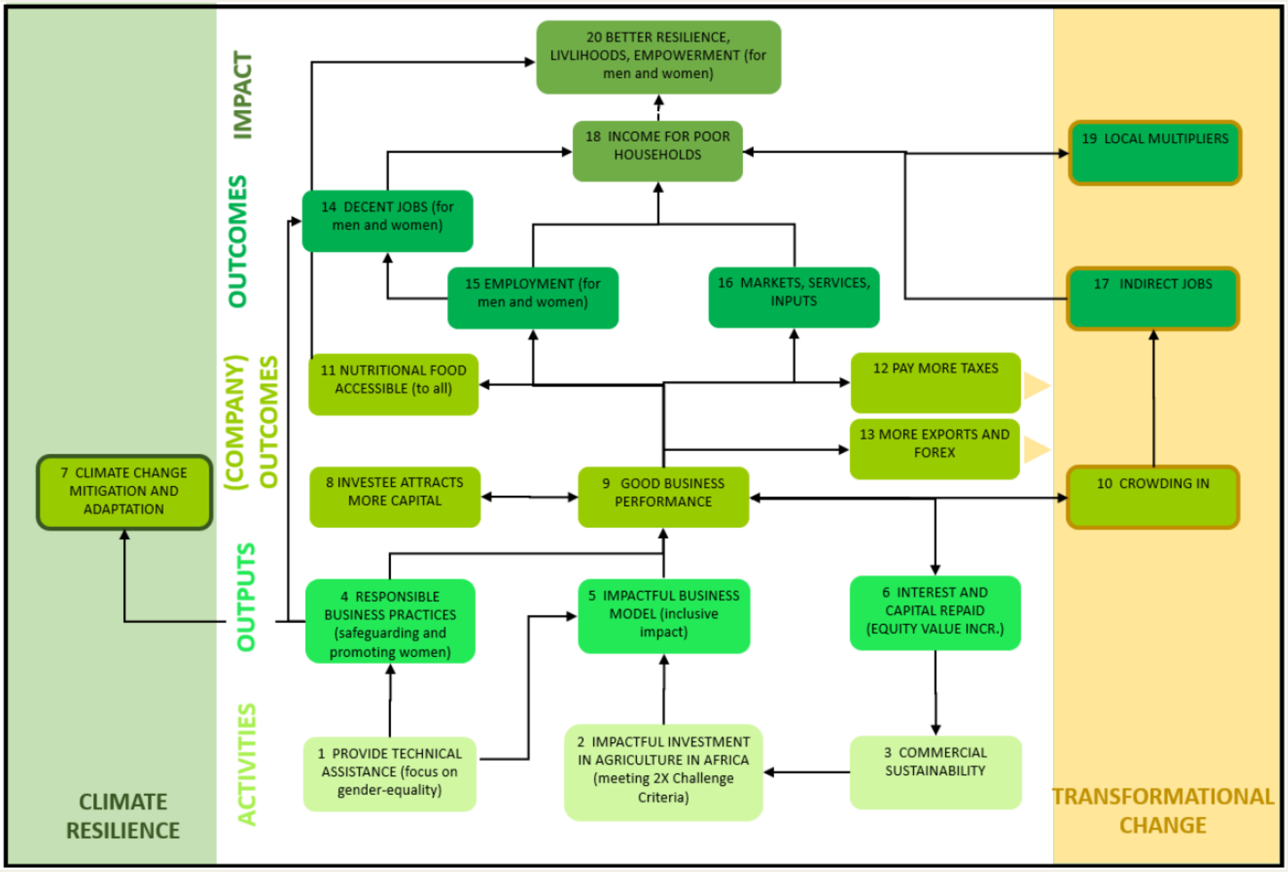
Our Theory of Change

AgDevCo's portfolio-level Theory of Change articulates how patient capital, non-financial capacity building and technical assistance, channelled into commercially viable agribusinesses, create direct livelihood benefits, strengthen market systems and generate transformational change in African agriculture. Each step in the ToC is measured by corresponding indicators, the most important of which have targets and are reported to the Board and funders annually (see Annex A). Each individual investment has its own investment-specific impact thesis and impact projections — a documented causal chain from inputs through to expected outcomes. This is developed before investment (ex-ante) and tracked throughout the investment lifecycle (ex-post).

In reading the ToC, the following definitions apply.

- **Outputs:** the changes at the company we invest in.
- **Company outcomes:** the changes in the company and its immediate value chain that are (to some degree) consequences of the outputs.
- **Outcomes:** the changes for AgDevCo's target group of individuals (low-income households) and target systems (the markets and eco-systems surrounding African agriculture).
- **Impacts:** the longer-term consequences of the outcomes, matching AgDevCo's vision of a thriving commercial agricultural sector which benefits both people and planet.

AgDevCo's Theory of Change



3. How we assess impact before we invest

Before committing capital, for each new deal we prepare an investment-specific impact thesis, accompanied by impact projections, outlining the logic of how we expect an investment will deliver positive DI at the company, market and livelihood level. In this section we set out the six elements of the impact thesis: the depth and reach of projected impact (3.1), portfolio impact characteristics (3.2), diversity (3.3) and climate resilience (3.4).

We use these to monitor and predict the contribution towards AgDevCo's impact objectives; as well to design Technical Assistance Facility (TAF) projects. The impact thesis is presented alongside the financial and commercial case for the investment as a core part of the investment decision. We review each investment proposal against portfolio-level impact KPIs to ensure we maintain impact performance and mission alignment across the whole of our business.

3.1 Impact projections (quantitative)

For each deal we set quantitative projections for two dimensions of impact.

- **Reach: t**he number of men and women whose lives will be affected: FTE jobs created or sustained, and smallholder farmers, traders and customers engaged (e.g. bought or sold goods and services to investees) annually.
- **Depth:** the income/revenue each man and woman earns annually as a result of their engagement with the investee.

We typically provide projections for five or more years from investment. Projections are built from a combination of the investee's own historical data, information gathered during due diligence, benchmarks from comparable investments in AgDevCo's portfolio, and input from investment, commercial agriculture and ESG specialists. They are tracked against actual results throughout the life of the investment and reviewed formally at least annually.

3.2 Portfolio impact descriptors (qualitative)

In addition to the quantitative projections of an investee's expected impact, we provide an ex-ante assessment of the nature of the investment in terms of two dimensions that are important to define the overall characteristics of our portfolio.

- **Additionality -** the extent to which AgDevCo is investing and providing non-financial assistance where existing commercial financial markets will not and does not crowd out the private sector.
- **Transformational change:** how transformational our investments are as measured by expected changes in new products/markets, removing bottlenecks in value chains; community transformation, and demonstrating commercial feasibility.

3.2.1 Additionality

Additionality asks the question at investment approval: *would this impact have happened anyway, without AgDevCo's involvement?* If a business could have obtained the same capital and technical support from commercial sources on similar terms, our additionality is limited. If we are investing where others will not or in more useful or impactful ways for investees, e.g. providing longer tenures, taking on higher risk, entering underserved markets, then our additionality is high. Comparable terms to DFI and aligned impact capital sit in the middle.

Every deal is scored on AgDevCo's Additionality Framework, from 1 (least additional) to 4 (most additional). See Annex B for the full scoring criteria. AgDevCo separately assesses financial additionality (whether the capital itself would have been available elsewhere) and non-financial additionality (the value added through our technical assistance, governance participation, and market knowledge and support), before combining these into one overall score.

Our portfolio target is for at least 66% of investments to score 3 or above on additionality. We track and report progress against this target annually and monitor status quarterly via Board and ARC reporting, and via RemCo review against the development impact scorecard.

3.2.2 Transformational Change

Beyond the direct impact on individuals, AgDevCo looks for investments that can catalyse broader change: establishing new agro-industries, attracting further private investment, demonstrating that a business model is commercially viable in a context where others have been reluctant to invest, or delivering concentrated economic transformation in underserved regions. Long term, we believe this is where we can create some of the greatest impact.

We call this transformational change. Like additionality, it is scored ex-ante on a 1–4 scale using AgDevCo's Transformational Change Framework (see Annex B). We evaluate transformational change during investment via progress with the investee business plan and qualitatively through periodic research studies, which capture indirect and systemic effects that cannot be tracked through annual data collection alone. Ex-post, we may assess the extent of transformational change using research studies, but these do not always link directly back to the ex-ante qualitative scores.

Our portfolio target is for 66% of investments to score 3 or above for transformational change. We track and report progress against this target annually and monitor status quarterly via Board and ARC reporting, and via RemCo review against the development impact scorecard.

3.3 Diversity, equity and inclusion

Each deal is assessed against two external diversity frameworks assessing impact on gender and Black African representation, and against AgDevCo's mandatory safeguarding criteria (see Annex B for full thresholds and criteria).

- **2X Challenge Criteria:** a G7-led initiative assessing whether businesses are owned by, led by, or providing significant economic opportunities for women. Each deal is assessed against the 2X standard that was in place at the time the transaction was completed. Our portfolio target is at least 30% of the portfolio meeting the 2019 2X Challenge criteria; and 50% meeting the updated 2024 standard. The updated criteria are not applied retrospectively to pre-existing deals.
- **BOLD Criteria (Black Ownership and Leadership for Development):** formerly referred to internally as 'BAfRep' (Black African Representation) and renamed to align with BII's terminology. BOLD assesses the representation of Black Africans in the ownership and senior leadership of investee businesses. Our portfolio target is at least 30% of the portfolio meeting BOLD criteria.
- Our safeguarding criteria are mandatory and we will not disburse to an investee until they meet our minimum safeguarding requirements: a zero-tolerance harassment policy, an anonymous grievance mechanism and training to workers on these.

Where a deal does not initially meet diversity targets, due diligence will assess whether alignment can be achieved over the investment period through technical assistance or targeted support. We monitor this annually and report updated performance on these criteria as they evolve. DE&I indicators and performance are assessed based on actual data ex-ante at investment approval and then measured and updated during investment.

3.4 Climate resilience and emissions

During due diligence we perform a climate risk and opportunity assessment for each new deal. This reviews historic climate data and climate and acute weather projections relevant to a potential new investment. We look at both physical risk issues and transitional risks relating to the country of operation and destination markets for export crops where relevant.

We use this to better understand the risks and opportunities to a business and to our investment. We specifically consider the potential impacts on the development impact as well as investment thesis in this exercise. Climate risks are categorised using a high-medium-low scoring scheme where high risks may materially affect the ability to deliver the investment or impact thesis. The analysis also considers the existing resilience of a business operation and how this can be enhanced through our investment to better mitigate risks identified or capitalise on potential opportunities.

As part of this exercise, we also generate order of magnitude emissions forecasts for investments which may have significant emissions that may have implications for our overall climate strategy aspirations.

4. How we measure and assess development impact during investment

4.1 Process

Each year, portfolio companies submit impact data against AgDevCo's standard indicators (Annex A). Annual development impact, GHG and ESG data is submitted to our funders in line with reporting requirements at the end of Q1 annually. Data is provided directly by investees based on their own records. All data is reviewed by AgDevCo's ESG, Impact, Ag and Investment teams before being aggregated into portfolio-level results, looking for trends and any material changes in performance. We use targeted information requests to obtain supporting evidence where needed.

We seek to manage the trade-off between the reporting burden placed on investees and the reliability of the data, and we do not require evidential data from all investees every year. For key impact contributors, or where impact evidence risk is considered high, we supplement end-of-year data reviews with capacity-building support, data management systems verification and specific impact studies.

If a portfolio company cannot provide current-year data in time for reporting, we use the most recent available data (typically the prior year) as a proxy. Any such occurrence is clearly noted in our impact disclosures. This data is presented in the impact chapter of our Annual Report, discussed and approved at the AgDevCo Board in Q2 and at AgDevCo Holdings prior to external publication, typically in July.

Based on this data an analysis of impact performance is also prepared for the PRC, which compares actual results against projections at the investment level. Where a company's actual impact is materially below projections over a sustained period (two years), we assess whether the original impact thesis remains valid, and whether closer support or a reset of projections is appropriate. Where the business model has shifted in ways that change how impact is created, we revise the impact thesis and projections accordingly.

4.2 Monitoring

Annual monitoring data captures our core development impact metrics well but is less suited to tracking broader, systemic changes such as market development, transformational change, and indirect livelihood effects. To better understand these, we commission periodic impact assessments and evaluations. These may be published externally or used for internal processes and be accompanied by a short external summary.

When we exit an investment, we conduct a review of impact achieved against projections and assess the likely sustainability of impact beyond our involvement. As part of our investment mandate, we seek to support the maintenance of impact after our exit where we can influence this. Lessons learned are documented and fed back into our investment approach.

4.3 Technical notes

4.3.1 Measuring jobs

We measure the number of full-time equivalent (FTE) jobs created or sustained by our investees. This combines formal full-time positions (requiring a written contract) with seasonal, casual and part-time employment which are converted to a full-time equivalent. Both are reported, with the split disclosed in our Annual Report alongside gender disaggregation.

Our mandatory safeguarding criteria in many cases enhance job quality beyond labour law. Job quality is also tracked through an assessment process that considers a wide range of criteria and employment benefits.

4.3.2 Measuring smallholder farmer, trader and customer engagement

We report the number of smallholder farmers, traders and customers engaged by our investees. These are defined as individuals who have bought or sold goods and services to an investee in the reporting year. Upstream supplier data is typically stronger especially where farmers are certified; downstream data is more often based on reasonable estimates, supported by targeted monitoring and studies.

Smallholder farmer, trader and customer data estimation

Not all of our investees are able to maintain precise records of the number of smallholder farmers, traders or customers they transact with, especially in complex multi-layered value chains. Where direct data is unavailable, we estimate numbers using a combination of data provided by the investee (such as volumes purchased), impact studies we have conducted in the past, and secondary sources. This is a limitation but is a reality of the market we operate in. We keep these estimates under review and undertake periodic impact studies to help refine them, alongside independent external assurance. We continue to work with investees to improve direct data collection and accuracy over time.

4.3.3 Measuring gross employee income and revenue

Gross employee income/compensation and revenue earned by smallholder farmers, traders and customers are among our most important impact metrics. They capture the economic value generated for the people our investees employ and trade with. For workers, this is gross salary/wages and other material compensation. For smallholder farmers, customers and traders, this is gross revenue as indicated below.

Beneficiary group	How income and revenue are measured
Employees and workers	Gross salary and compensation pre-tax and before deductions, as reported by investees.
Smallholder farmers supplying produce	Revenue earned from payments made by the investee for produce purchased. Only those who earned revenue in the year are included.

Beneficiary group	How income and revenue are measured
Customers buying inputs to reduce costs	Estimated cost savings — the difference between buying from the investee versus the next-best available alternative.
Traders and entrepreneurs	Revenue earned from selling inputs or produce purchased from investees (this is revenue prior to deduction of costs like purchase of goods sold). Where direct data is unavailable, this may be estimated using a standard markup applied to the investee's selling price.

4.3.4 Attribution: gross vs. attributed impact

Our headline impact figures are non-attributed. They reflect the total impact of our investee businesses, not just the share of that impact attributable to AgDevCo's specific investment. We use this approach in common with many DFI-aligned investors; we want to communicate the full impact of the businesses we work with, and the total economic footprint that our investment helps to enable.

Alongside measuring the gross enterprise development impact, we also seek to understand and isolate, as much as possible, the specific impacts that our investments contribute to. In the past we used an in-house attribution methodology (which involved deal specific judgement) but have shifted to align it with our greenhouse gas approach. We therefore use the PCAF/TCFD approach for attribution. This apportions our share of impact based on AgDevCo's funding as a proportion of the total enterprise value of each investee. This is more conservative in many cases than our previous methodology.

4.4 What we don't measure

Transparency also requires acknowledgement of the limits of what we can measure through annual monitoring data. The following are known gaps in our current approach.

- **Income uplift:** we measure gross revenue, not the net gain over a baseline or counterfactual. This is the reality of the market we operate in where accurate counterfactual data is not readily available, and this is very challenging to overcome cost effectively.
- **Indirect and spillover effects:** wider economic multipliers, local business growth stimulated by our investees, and supply chain effects are not captured in our annual monitoring data. We address these partially through periodic impact studies, but these effects are complex to monitor and attribute.
- **Wellbeing and non-income outcomes:** we do not systematically track nutrition outcomes, educational attainment, or health outcomes at the household level. Some of these are captured through TAF evaluation studies for specific projects.

- **Negative impacts:** we monitor and manage ESG and social risks, but our impact reporting focuses primarily on positive outcomes. We are developing our approach to more systematically identify and disclose unintended negative impacts, in line with good practice under the Impact Performance Reporting Norms.
- **Long-term sustainability:** our monitoring captures annual performance but limited assessment of whether impact will be sustained after AgDevCo's exit. This would be hard to achieve for a commercial investor post-exit without access to significant concessional funding designed for this purpose. We strive to build commercially sustainable businesses that flourish after our exit and in doing so the ambition is long term sustainability of impact.

We are committed to improving our methodologies over time. Current priorities include strengthening direct data collection for smallholder farmer numbers, expanding job quality metrics, and developing a more systematic approach to negative impact identification and disclosure.

5. Climate impacts and emissions monitoring and reporting

5.1 Material climate events

In Q1 each year we review the material climate and acute weather events that have occurred in the previous year and what impacts these have had on business and investment performance including where relevant on development impact. This analysis is fed back to PRC and Board and any required actions e.g. to enhance resilience are considered.

5.2 Greenhouse gas emissions

We calculate Scope 1 and Scope 2 greenhouse gas (GHG) emissions for all portfolio companies annually, using an AgDevCo calculator based on the GHG Protocol and current emission factor data. We report both gross (non-attributed) and TCFD-attributed emissions, using the same proportionate financing-to-enterprise-value approach used for income attribution.

We distinguish between total emissions, net emissions (after removals from sequestration), and net operational emissions (which exclude uncontrolled sources such as wildfires and land use change). Year-on-year GHG figures can vary significantly due to portfolio construction, wildfire events, and land development activity, and should be read as part of a longer-term trend rather than through year-by-year comparisons.

We specifically note that carbon sequestration in our emissions figures is estimated and is not currently verified to Tier 3 standard with field data. We have evaluated the cost-benefit of doing so and, at present, it would be prohibitively expensive to collect the required data, with limited upside beyond being able to formally claim the sequestration under carbon accounting methodologies.

6. Impact governance and process

Overall responsibility for the achievement of impact by AgDevCo and for the impact framework sits with the Board. The Board reviews and approves the Annual Impact Report which describes the previous year's impact achievements against annual targets and priorities. The QMIR provides a quarterly operational performance update to Board and has a specific section on development impact and ESG including impact KPIs such as transformational change, additionality, DE&I, and impact efficiency. Certain responsibilities and actions are delegated to individuals and committees as set out in AgDevCo's Governance Policies and Procedures (GPPs). Key points to note follow.

- **The CEO and CIO** are responsible for ensuring impact is considered in all investment and portfolio-level decisions made in the Executive Committee (EC) and at all levels of the business, in line with AgDevCo's Investment Policy and Procedures (IPPs).
- **The Executive Committee and then the Investment Committee** review and approve the impact thesis and projections for every investment. This includes ensuring the impact thesis can reasonably be attributed to AgDevCo's investment. The Chair of the Investment Committee is responsible for ensuring development impact is adequately considered in each approval decision.
- **The Portfolio Review Committee (PRC)** review all portfolio investments on a quarterly basis using a Red-Amber-Green (RAG) rating system across four parameters: investment, business, impact, and ESG risk. Impact risk ratings flag where an investment is at risk of not delivering its impact thesis or meeting expected projected impact performance. The director responsible for development impact is a member of the committee and acts as guest chair for an annual meeting focusing specifically on development impact, ESG and climate change. Persistent or deteriorating ratings trigger a formal response, either to improve impact performance or re-forecast expected impacts; this may sometimes accompany financial restructuring.
- **The Audit and Risk Committee (ARC)** have delegated authority from Board for impact oversight and in Q4 approves the impact plan for the following year, including targets and a proposed workplan. AgDevCo's Audit and Risk Committee (ARC) oversees the integrity of our impact data. Its responsibilities include reviewing annual impact data against quality assurance processes, commissioning internal audits of adherence to our impact framework, and oversight of periodic external verification of data and the framework, typically done every 3–5 years. Details of our most recent external assurance/verification are available on our website.
- **The Impact team** have day-to-day responsibility for implementation of the impact framework and sign off (with the CEO or CIO) of all external-facing publications that include impact data e.g. press releases, brochures and website content before publication. The team of three comprises two dedicated impact and reporting specialists led by the MD for Impact, ESG and Climate who is an Executive Committee, PRC and ARC member.

All external-facing publications that include impact data e.g. press releases, brochures, website content are reviewed by the Impact team before publication to ensure consistency and accuracy, and signed off by the MD for Impact, ESG & Climate and/or the CEO or CIO.

7. Further information

This document is reviewed bi-annually and updated as needed in line with our Annual Report cycle. It is the single consolidated reference for AgDevCo's impact governance, methodologies and detailed scoring/attribution criteria. For questions about our impact methodology, please contact us at info@agdevco.com. Further information is available at www.agdevco.com.

Annex A: Impact reporting indicators

The table below sets out AgDevCo's Impact Reporting Indicators, the sub-set of indicators tracked against our Theory of Change that carry Board- and funder-reported targets.

Impact case	Impact reporting indicator	Units
Transformational Change	Investments scoring 3 or higher for Transformational Change Score (target: 66%)	Percent
	Total value of capital mobilised for investee businesses	USD
Additionality	Investments scoring 3 or higher for Additionality Score (target: 66%)	Percent
Reach	Number of small-scale farmers, traders, and customers provided with markets, services, or inputs attributable to AgDevCo	Number
	Average annual employment growth of the active portfolio	Percent
	Total FTE jobs attributable to AgDevCo	FTE Jobs
Depth	FTE jobs attributable to AgDevCo that classify as 'decent jobs'	Percent
	Average annual compensation/revenue per person (employees, small-scale farmers, traders, consumer customers)	USD
	Total annual compensation for all employees attributable to AgDevCo	USD
	Total annual revenue for all small-scale farmers, traders, consumer customers attributable to AgDevCo	USD
Diversity and Inclusion	Active portfolio investments that meet the 2X Challenge Criteria (target: 30% under 2019 criteria for existing deals; 50% of new deals under 2024 criteria, applied prospectively)	Percent
	Active portfolio investments in least developed countries (LDCs)	Percent and USD

Impact case	Impact reporting indicator	Units
	Active portfolio investments that meet BOLD (formerly BAfRep) criteria (target: 30%)	Percent
	Share of senior management roles in AgDevCo's portfolio filled by women	Percent and number
Technical assistance facility (TAF)	Value of TAF support provided to investees	USD
	Investees receiving technical assistance support through the TAF	Number
Value for Money	Attributed cumulative income for low-income households per gross investment into the active portfolio to date	USD
	Attributed annual income for low-income households per gross investment into the active portfolio to date	USD ratio
Climate	Gross and TCFD-attributed Scope 1 and 2 GHG emissions	tCO_2e

Annex B: Impact scoring frameworks

Transformational Change framework

Each investment is scored ex-ante against three criteria, each graded Not Present / Moderate / Strong.

Criterion	Not present	Moderate	Strong
New agricultural industry	The investment does not establish a commercial agricultural activity or business model new to an area and does not plan to commercialise existing smallholder production.	The investment establishes a commercial ag industry or business model new to an area and/or will be the first in an area to commercialise existing smallholder production — BUT is in an area with significant other commercial activity, and/or is a second mover, and/or has limited demonstration-effect opportunity.	The investment is one of the first to establish a commercial ag industry or business model in a relatively underdeveloped area with no significant other commercial agricultural activity, and no obvious limitations for demonstration effects.
Supportive services and infrastructure	The investment does not contribute to supportive services/infrastructure/products which other organisations or groups will use.	The investment contributes to a supportive service or infrastructure, but demand is weak/unclear and/or gains in productivity or efficiency are likely to be limited.	The investment creates strong linkages into existing value chains as a supplier of a service/infrastructure/product with demonstrated demand that will lead to productivity and efficiency gains.
Geographical concentration	Direct beneficiaries are not geographically concentrated in an underdeveloped area or are concentrated but in very limited numbers or with low-income uplift.	Direct beneficiaries are concentrated in an underdeveloped area, and either there will be a large number of direct beneficiaries, or a small number will see a significant income uplift.	Direct beneficiaries are concentrated in an underdeveloped area, AND there will be a large number of direct beneficiaries, AND they will see a significant economic uplift.

Scoring method: all three gradings 'not present' = 1; one 'moderate' and two 'not present' = 2; two 'moderate' and one 'not present' = 3; all 'moderate' = 3; at least one grading 'strong' = 4.

Additionality framework

AgDevCo defines financial additionality as providing financial investment that is beyond what is available and otherwise absent from the market, and that does not crowd out the private sector (adapted from the Multilateral Development Banks' harmonised framework for additionality).

Score	Available finance	Indication
4	No funding from concessional or commercial financial sources is available, or AgDevCo originated and developed the deal concept.	Commercial and concessional finance has not been provided for a reasonable period of time.
3	Funding is available from concessional financial sources but not on terms accepting the same risk appetite as AgDevCo's finance.	DFIs or impact investors have invested in the past / remain invested but on terms more risk-averse than AgDevCo.
2	Funding with similarly viable terms is available from concessional financial sources.	DFIs or impact investors have invested in the past / remain invested in making similar investments in the company as AgDevCo.
1	Funding with similarly viable terms is available from private/fully commercial financial sources.	The investment is competitive against commercial financial institutions, or commercial institutions were/are already invested.

'Similarly viable terms' does not just mean providing finance on more favourable terms than private sources would. A sponsor may prefer more favourable terms (e.g. grace period length), but the project would still be viable using available private finance. Financial additionality strictly requires the accompanying judgement that the project would not have been viable unless financed on the terms AgDevCo is offering.

AgDevCo defines non-financial additionality as providing non-financial assistance that is not otherwise available and that contributes to development impact, including: risk mitigation comfort for non-financial risks (country, regulatory, project, economic cycle, political); assisting/requiring investees to meet improved ESG, operational, agricultural and financial management standards; and providing expertise, innovation, knowledge and/or capabilities material to the timely realisation of the project's anticipated development impact.

Score	Assistance offered by AgDevCo	Indication
4	Non-financial assistance that will improve development impact and that no other interested investor will/can offer, or AgDevCo originated and developed the deal concept.	No other available funding offers this assistance and there is a clear narrative on how it will change outcomes for employees and SHFs.
3	Non-financial assistance that will improve development impact and is not available from commercial lenders but is available from concessional investors.	The assistance planned goes beyond AgDevCo minimum requirements, and other concessional investors provide very similar assistance to this investee.
2	Non-financial assistance limited to compliance with AgDevCo standards, not available from commercial lenders but available from concessional investors.	The assistance planned focuses on complying with AgDevCo minimum requirements, which we have observed other concessional investors also provide.
1	Either no non-financial assistance, or only assistance also available from other interested/potential commercial investors.	The company already receives similar assistance from a commercial investor, or interested commercial investors provide this to their other investees.

Mandatory safeguarding and gender-equality criteria

AgDevCo's mandatory gender impact equality criteria are: articulating where both women and men sit within an investment's impact thesis (detailed in the Impact Assessment); disaggregating all impact projections, results and analysis by sex (not including income); and annual qualitative feedback from all investees on gendered lessons and potential unintended consequences (included in annual monitoring narrative reports).

AgDevCo's mandatory safeguarding and do-no-harm criteria are: a policy statement acknowledging, and stating zero tolerance for, gendered harassment; training on zero tolerance for harassment for employees; and an anonymous grievance mechanism.

2X Challenge criteria

The portfolio target is at least 30% of the portfolio meeting the 2019 2X Challenge criteria up to 2024. An updated, more stringent 2X standard was introduced in 2024 and applies prospectively to new deals from that point, with a target of at least 50% of deals meeting the updated criteria; this is not applied retrospectively to existing deals.

The 2019 Criteria thresholds are presented below.

Criteria reference	Criteria	Threshold
1A. Entrepreneurship	Share of direct women ownership	51%
1B. Entrepreneurship	Business founded by a woman	50%
2A. Leadership	Share of women in senior management (executive)	25%
2B. Leadership	Share of women on the Board	30%
3A. Employment	Share of women in the workforce (FTE)	40%
3B. Employment	One 'quality' indicator beyond compliance	Yes/No
4. Consumption	Product/service specifically or disproportionally benefiting women	Yes/No

The 2024 Criteria thresholds are presented below.

Criteria reference	Criteria	Threshold
Basic 2X ESG	Meets basic 2X ESG	Yes/No
1A. Entrepreneurship	Share of direct women ownership	51%
1B. Entrepreneurship	Business founded by a woman	50%
2A. Leadership	Share of women in senior management (executive)	Country and sector specific threshold
2B. Leadership	Share of women on the Board	Country and sector specific threshold
3A. Employment	Share of women in the workforce (FTE)	Country and sector specific threshold
3B. Employment	One 'quality' indicator beyond compliance	Yes/No

Criteria reference	Criteria	Threshold
4A. Supply chain	Commitment to women in supply chain	Yes/No
4B. Supply chain	One 'quality' indicator beyond compliance	Yes/No
5. Products & Services	Product/service specifically or disproportionally benefiting women	Yes/No

BOLD (Black Ownership and Leadership for Development) criteria

This criteria set was formerly referred to internally as 'BAfRep' (Black African Representation) and has been renamed BOLD to align with BII's terminology; the underlying thresholds are unchanged. The portfolio target is at least 30% of investments meeting one or more of the following BOLD thresholds.

Criteria reference	Criteria	Threshold
1. Ownership	Share of direct Black African ownership	33%
2. Ownership	Business founded by a Black African	Yes/No
3. Leadership	Share of the Board who are Black African	50%
4. Leadership	Share of senior management (executive management) who are Black African	50%