

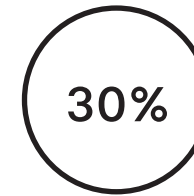
Sustainability Outcomes 2022

Investing for Return on Impact

At Nicoya, investing for a return on impact alongside a financial return is at the core of what we do. We believe that to create long-term, successful companies, those companies need to operate in a way that benefits people and the planet. In doing so, our investments will offer better products that meet customers' demands, recruit the best talent, and outperform competitors in the long run. Furthermore, the companies we invest in are supported by a large-scale awareness and demand to change the current food system. A food system that produces 1/3 of all global GHG emissions and poses a significant threat to biodiversity, at a time of growing global population and wealth and increase in western diet-related diseases, is not an option. That is why investing for a financial return and impact is not only attractive, it is essential.

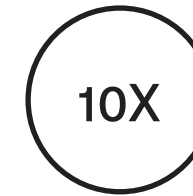
Today's unsustainable and unhealthy trends make up the foundation of Nicoya's investment strategy

UNSUSTAINABLE



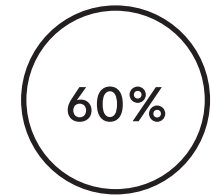
of global GHG emissions from our current food system alone

INEFFICIENT



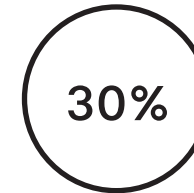
more calories are spent for every calorie produced

UNPREPARED



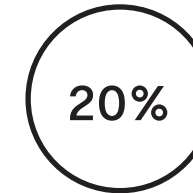
exp. growth in food demand by 2050. Particularly for proteins as wealth increases

UNHEALTHY



of global population is overweight or obese

EXPENSIVE



of global healthcare spending is linked to obesity

UNSTABLE



of global population experiences malnutrition due to food instability

The UN's 2030 Agenda for Sustainable Development Goals

Nicoya's sustainability strategy is based on the UN's 2030 Agenda for Sustainable Development Goals, which was adopted by all UN Member States in 2015. The 2030 Agenda is a broad and

universal policy agenda made up of 17 Global Goals divided into 169 associated targets to be achieved by 2030. The Global Goals are integrated, indivisible, and cover economic, social, and environmental sustainability. Given its broad coverage, the 2030 Agenda is one of the most commonly used frameworks on sustainability today.



Sustainability Developments 2022

Backed by these megatrends and needs, Nicoya invests in young companies that are disruptive in nature and have the ability to make a significant and meaningful impact. This is an integral part of all that we do, from the initial search phase, through the due diligence process, to portfolio management.



The Sustainability lense is present through the investment process and ongoing engagement with the portfolio

In 2022, we further refined our due diligence process with an updated ESG questionnaire and newly developed Green Framework, with defined investment categories and specified impact areas and metrics. We also conducted post-investment workshops with some of our portfolio companies. Our aim is to continue this work throughout 2023 with the objective of having clearly defined impact areas and impact metrics set for all our investments.

We have also designed and conducted our very first sustainability review of our portfolio. This was done in accordance with EU's Sustainable Finance Disclosure Regulation. This regulation requires European investors whose focus is on sustainability to report on certain ESG factors. Even though Nicoya does not fall under these regulations yet, we have chosen to follow them to better understand our own footprint, contribute what we can, and support those of our investors that do follow them. The data gathered from this review will lay the foundation for our work and objectives for the year ahead.

Sustainability Review Outcomes

The review was conducted in the form of a self-assessment questionnaire. Although all companies in the portfolio were included in the review, their ability to report on all parts of the review, e.g., carbon emissions and reduction targets, generally depended on the stage of maturity of the company or overall expectations of their stakeholders. Our goal is to steadily increase the share of companies that are able to fully report on the review, starting with the companies making up the largest share of our portfolio.



Nicoya's portfolio's impact areas and contribution to the Sustainable Development Goals

As part of the 2022 Sustainability review, the portfolio companies mapped out their impact as well as their contribution to the Sustainable Development Goals. Given that Nicoya makes its investment based on previously mentioned megatrends, all our portfolio companies contribute to the Goals by virtue of their core business models, alongside the aim of being good employers and citizens. As one could expect, most of our investees reported contributing to Goal 3 - Good Health and well-being through the sale of more nutritional and BFY products as well as Goal 13 - Climate Action with the emphasis on plant-based alternatives. These were closely followed by Goal 12 - Responsible consumption and production and Goal 8 - Decent work and economic growth.



Splendid Spoon leads the transition to more plant-based eating habits to reduce greenhouse gas emissions and improve quality of life

In line with their mission, Splendid Spoon carried out various initiatives in 2022, including:

- Reducing single-use plastic in products which accounts for ~20% of weekly consumption
- Partnering with Feeding America to reduce spoilage via donations of SKUs near expiration or off-menu
- Expanding their Food Access program by partnering with organizations that raise awareness and increase healthy food access to underserved communities.

El Taco Truck brings greenhouse gas reductions front and center

El Taco Truck makes 100% vegan food, meaning their greatest contribution is avoided greenhouse gas emissions. More than half of the emissions from the food system, comes from the production of meat products.

As of 2022 El Taco Truck has started to annually measure the climate impact of their already low-emitting products with the aim of reducing that impact by 50% by 2030. They have also shortened shipment routes by moving production closer to their home market, switched to transportation methods that produce less GHG emissions, such as trains, and removed all plastic from the transport packaging of their chilled sauce products.