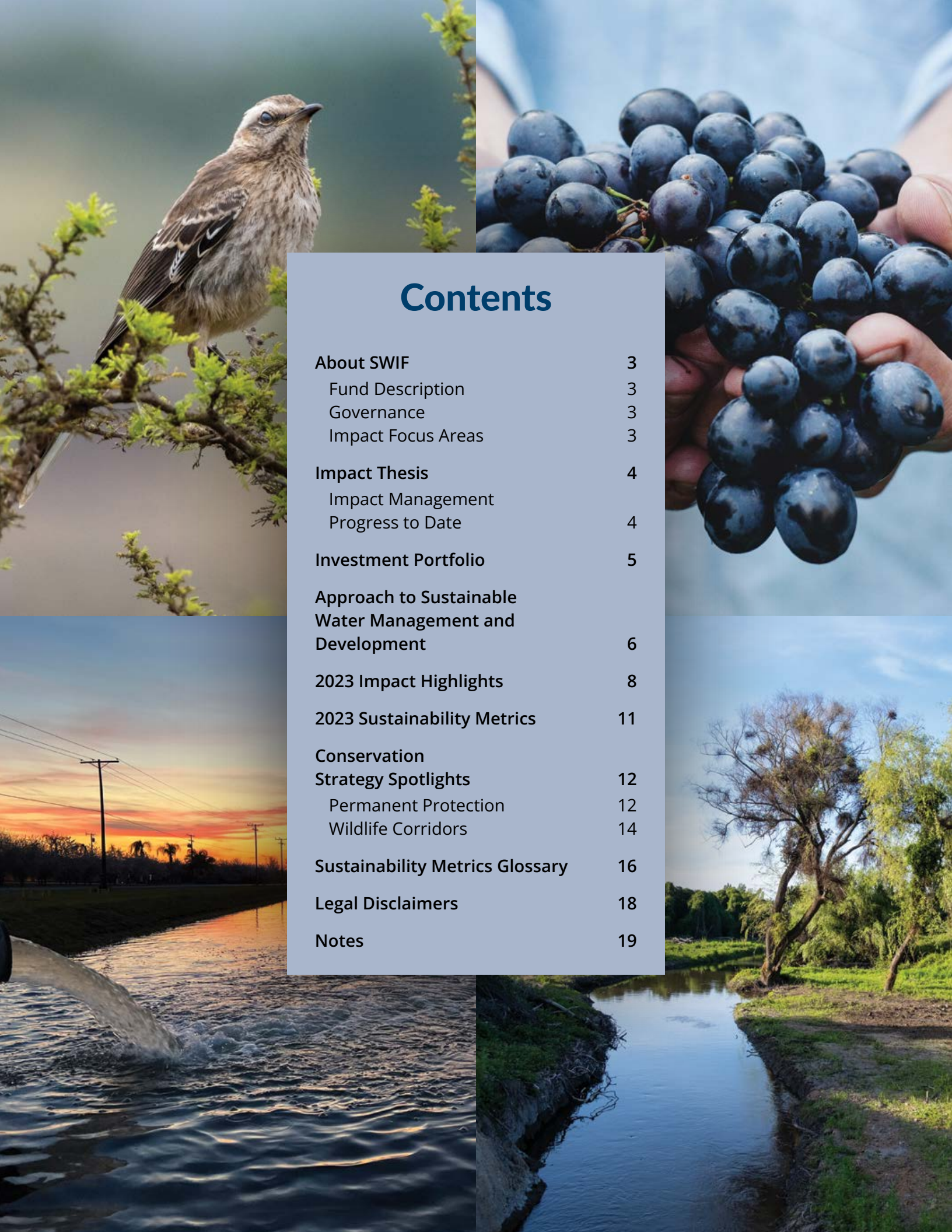


2023 IMPACT REPORT

# RRG Sustainable Water Impact Fund

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# About SWIF

The RRG Sustainable Water Impact Fund (“SWIF” or “the Fund”), launched in 2019, aims to demonstrate how water and land can be managed to better meet the needs of both people and nature.<sup>1</sup>

## Fund Description

With investments in the United States, Latin America, and Australia, the Fund seeks to deliver competitive financial returns alongside meaningful, measurable progress against global environmental challenges. The Fund is a partnership between RRG Capital Management LLC (RRG) and The Nature Conservancy (TNC). RRG owns, manages, and develops sustainable water, agriculture, habitat conservation, and renewable energy assets globally. TNC is a global conservation nonprofit organization that, since 1951, has worked to conserve the lands and waters on which all life depends.



Signatory of:



## Governance

The Fund’s governance structure utilizes RRG and TNC expertise in ways that amplify each organization’s strengths. RRG is the Fund’s Investment Manager, controls the Fund’s General Partner, and is responsible for Fund operations, investment execution, and asset management. TNC acts as a technical advisor<sup>2</sup> on conservation matters. Together with a third-party advisor, Professor Barton “Buzz” Thompson of Stanford University’s Law School and Doerr School of Sustainability, TNC and RRG personnel serve on the General Partner’s Technical Advisory Committee (TAC). The TAC evaluates whether investments meet the Fund’s environmental and social requirements and advises on opportunities to deliver meaningful and measurable impact. To further incentivize environmental outcomes, a portion of RRG’s carried interest is held in reserve and released to RRG only to the extent identified conservation outcomes are achieved.



## Impact Focus Areas

The Fund’s impact thesis focuses on four strategic areas in which the combination of RRG’s and TNC’s complementary areas of expertise – agriculture, water, conservation, and renewables – can improve outcomes for people and the environment.



### Water Resiliency

Aid in the development of sustainable water systems at the local and regional levels.



### Sustainable Agriculture

Improve farm operations and demonstrate sustainable and regenerative agricultural practices.



### Biodiversity and Habitat Conservation

Protect, restore, and enhance the natural function of freshwater and terrestrial habitats.

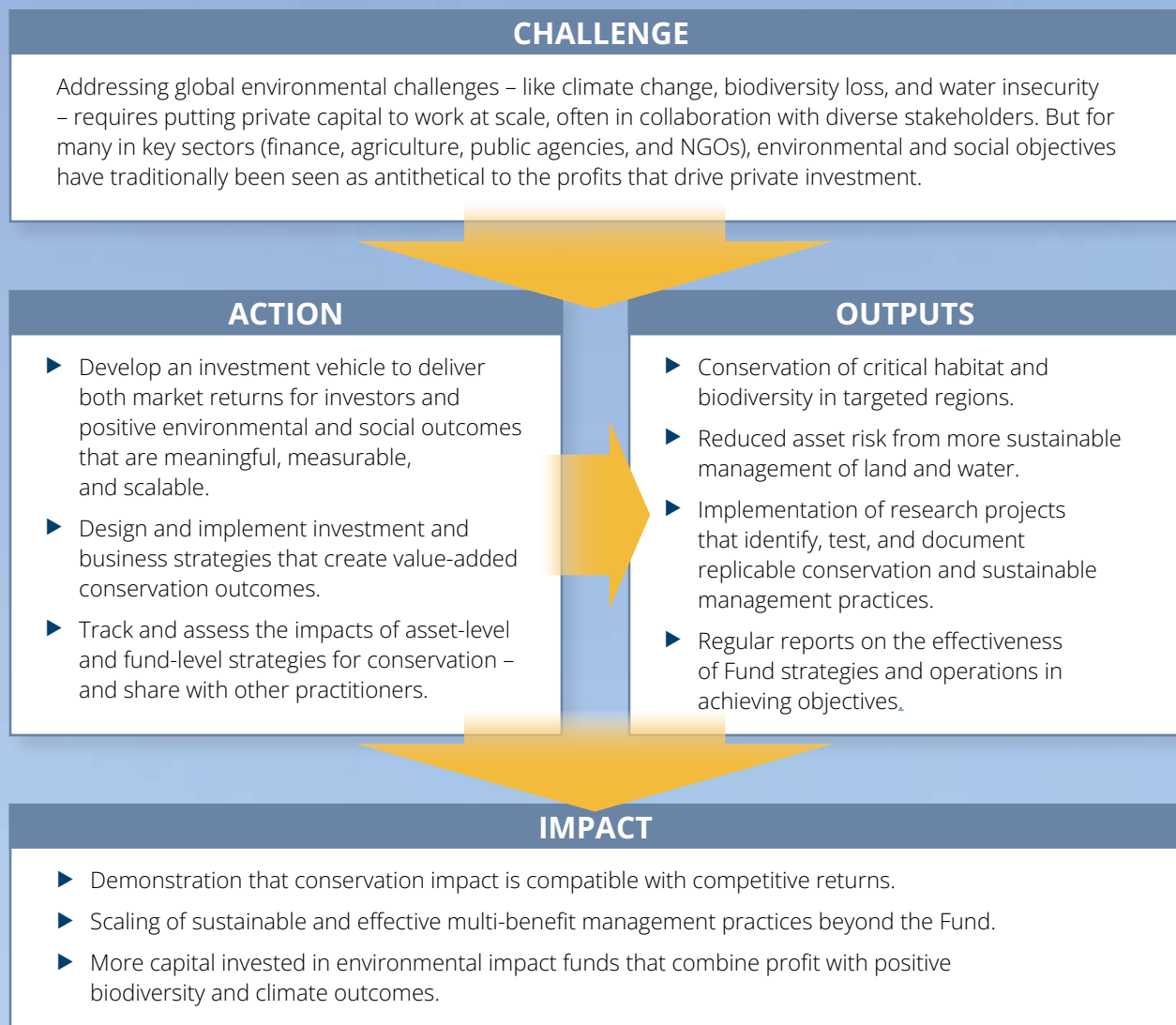


### Climate Mitigation

Contribute to climate change mitigation through natural climate solutions and renewable energy development.

# Impact Thesis

RRG and TNC designed the Fund with the aim to deliver competitive financial returns alongside meaningful, measurable progress against global environmental and social challenges.







## Impact Management Progress to Date

In the Fund's initial years, the priorities were focused on both deploying capital and building impact management systems that support the theory of change for the Fund's assets and geographies. These include impact measurement, monitoring, and reporting tools. As of year-end 2023, 94% of SWIF capital is allocated and the Fund is firmly in the implementation stage of creating and measuring impact within the portfolio. The outcomes have resulted in data to test and refine the Fund's processes for creating additional impact. TNC and RRG expect that there will be continual refinement as the data generated from these systems reveal the most effective ways to create conservation impact.















# Investment Portfolio <sup>3</sup>

As of December 31, 2023





## KEY INVESTMENT THEMES <sup>4</sup>

- Water 
- Agriculture 
- Renewable Energy 
- Land Protection 


## UNITED STATES

- BV West Farms  
- Capinero Creek    
- Ferry Canyon Orchards <sup>5</sup>  
- Frutura 
- River Garden Farms   
- Sweetwater Ridge  





## AUSTRALIA

- Koornpartu Farms  
- Manta Farms 
- Nambucca Farms 

## PERU

- Frutura 

## CHILE

- Corylus 
- Frutura 
- Persea  

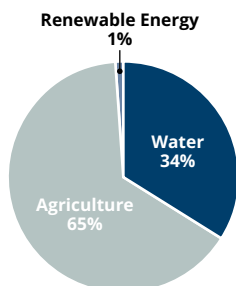
## URUGUAY

- Frutura 

## Fund Allocation Snapshot

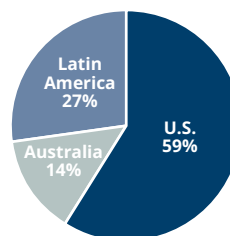
As of December 31, 2023 (\$ in millions)

### BY PRIMARY INVESTMENT THEME <sup>6,7</sup>



Water	\$294.1	34%
Agriculture	\$573.2	65%
Renewable Energy	\$10.1	1%
<b>Total</b>	<b>\$877.4</b>	<b>100%</b>

### BY GEOGRAPHY <sup>7</sup>



U.S.	\$518.7	59%
Australia	\$121.4	14%
Latin America	\$237.3	27%
<b>Total</b>	<b>\$877.4</b>	<b>100%</b>

# Approach to Sustainable Water Management and Development

Water-related challenges are worsening around the globe as shifting demand and hydrological conditions collide with outdated supply systems, often in the world's most productive food-producing regions. For example, while California's economy, population, and agriculture lead the nation today, its major water infrastructure was largely developed between the 1930s and 1970s.<sup>8</sup> Climate change is reducing surface water supply reliability; groundwater aquifers are being over-drafted; supply systems are hampered by outdated and insufficient water storage and conveyance infrastructure; expanded plantings of "permanent" crops (e.g., fruit and nut trees that typically live for 20 years or more and require regular irrigation) have "hardened" water demand; and urban and agricultural competition for water has intensified.

Overall, the issues are multi-layered. To address these challenges, mitigate asset risk, and/or improve project economic margins or value at exit, core components of SWIF's investment strategy focus on building more sustainable water supply systems and managing water responsibly.

Drawing on RRG's two decades of water sector experience, the Fund develops sustainable water supplies and strategies that seek to aid local and regional water systems. The Fund also prioritizes thoughtful water management as a way to generate economic benefits, support more resilient farming operations, reduce conflicts between urban, agricultural, and environmental demands, and help freshwater-dependent ecosystems.

Sustainable water solutions often require collaboration with an array of stakeholders, including non-governmental organizations (NGOs), farmers, water districts, and other public agencies. RRG has significant experience working with such entities to establish these win-win partnerships.

The following considerations guide SWIF acquisition and asset management processes to support sustainable water development and use:

- ▶ **Baseline requirements:** All investments must follow a set of water sustainability standards which aim to minimize harm to local and regional ecosystems and communities (see additional details on [page 8](#)). The Fund's water requirements are often more stringent than applicable laws and regulations – since the latter may not be sufficiently protective of environmental needs.
- ▶ **Right use, right place:** Because water issues are site-specific, the Fund aims to develop the most appropriate land and water uses (e.g., crop type, water storage, solar infrastructure, habitat conservation, etc.) for each location. The Fund considers each site's potential uses, and how the site can deliver multiple benefits.
- ▶ **Post-acquisition improvements:** The Fund works to incorporate environmental water needs in the Fund's approach to meeting a project's commercial and impact goals. This may include assessing current and future surface water and groundwater availability, analyzing on- and off-property demand for that water, and assessing opportunities for conveyance, trading, and storage – as well as the environmental co-benefits that can be achieved.

Sustainable water management considerations can lead to water opportunities such as:

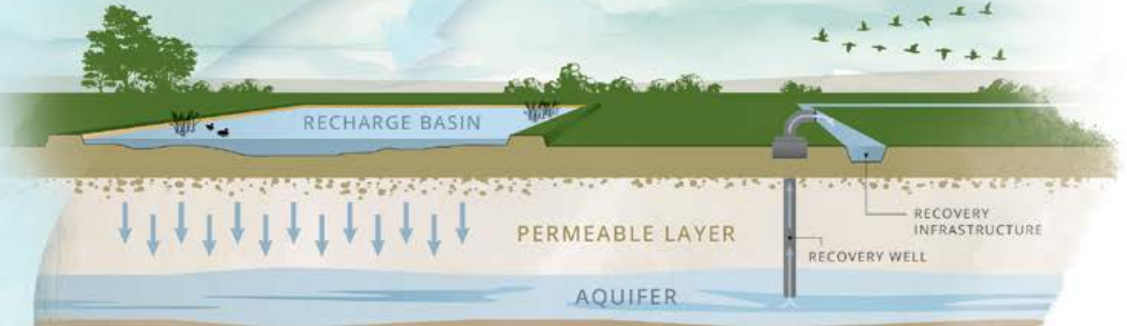


**Water for Nature**

Develop and manage water supplies so that they can be utilized for environmental benefit – such as to create wetland habitat and improve instream flows, either permanently or temporarily, and via sales to environmental NGOs, accredited land trusts, and/or local, state, or federal agencies.

**Groundwater Recharge Development**

Build and operate groundwater recharge projects, regulate water from times and places of excess to those of scarcity, and provide reliable supplies to water-stressed areas while also creating temporary wetlands for target bird species.



**Strategic Farm Acquisition or Development**

Acquire, partner with, or develop farms in ways that appropriately site the planned crops, deploy practices and technologies that minimize water needs and improve efficiency, and improve surface and groundwater management.

**Water Market Participation**

Utilize partnerships with water market participants (public agencies, farmers, landowners, etc.) to add value for Fund assets, increase systemic resiliency, and benefit other water users – specifically by building new groundwater storage facilities, creating new supplies, and repurposing to environmental and sustainable agricultural uses.



# 2023 Impact Highlights

## Sustainability Baseline Requirements

All land and water managed by SWIF must meet the Fund’s stringent baseline requirements: science-based standards that go beyond regulation and aim to avoid or mitigate harm to ecosystems and local communities. Before acquisition, every asset is evaluated by the TAC against these criteria. During the asset management stage, new assessments are completed whenever there are land or water management changes.

**Cumulative amount of land and water managed by SWIF that has or will meet sustainability baseline requirements from Fund launch until year-end 2023<sup>9</sup>:**

**85,000** + **255,000**  
**Acres of Land**                      **Acre-feet of Water**

**SWIF assets seek to avoid environmental harm and create positive benefits for local ecosystems and communities via these criteria that go beyond adherence to local regulation:**

SUSTAINABLE LAND MANAGEMENT	SUSTAINABLE WATER MANAGEMENT
<p style="text-align: center;"><b>Criteria</b></p> <ul style="list-style-type: none"> <li>▶ Avoid negative impacts on endangered and non-endangered native species and ecosystems</li> <li>▶ Apply best management practices for preserving soil quality and preventing introduction and spread of invasive species</li> <li>▶ No conversion of previously undisturbed rangelands</li> <li>▶ No material reduction of public access to open space</li> </ul>	<p style="text-align: center;"><b>Criteria</b></p> <ul style="list-style-type: none"> <li>▶ Follow sound, science-based instream flow criteria to adequately support hydrological functions for key species</li> <li>▶ Avoid negative impacts on groundwater level, storage, and quality</li> </ul>
<p style="text-align: center;"><b>Outcome</b></p> <ul style="list-style-type: none"> <li>▶ Land under management co-exists alongside ecosystem needs and local communities’ uses</li> <li>▶ Bolstered ecosystem health and resilience through the implementation of best management practices for working lands</li> </ul>	<p style="text-align: center;"><b>Outcome</b></p> <ul style="list-style-type: none"> <li>▶ Surface flows adequately support the right hydrological conditions for key species</li> <li>▶ Groundwater level, storage, and quality do not worsen due to management regimes</li> </ul>



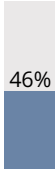
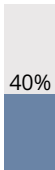


## Impact Beyond the Baseline

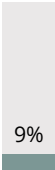
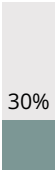
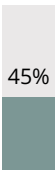
### 2023 Conservation Outcomes

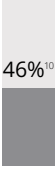

The Fund's objectives are aligned with an impact thesis to create direct conservation outcomes on SWIF properties and broader impact through research and innovation. The following outlines the impact that SWIF has delivered since the Fund's launch, representing measurable progress towards the Fund's terrestrial, freshwater, and research and innovation objectives.

### Fund Lifetime Goals

The Fund's lifetime goals are a roll-up of what we believe can be accomplished at the asset level within the Fund's ten-year term, informed by scientific analysis and on-the-ground research. The goals may change year-to-year as land, water, and climate conditions vary. Many conservation activities have multi-year lead times. Overall, at this time, RRG and TNC believe the Fund is on track to meet or exceed many of the Fund's lifetime goals.

FRESHWATER					
SWIF Metric	Achieved in 2023	Achieved to Date	SWIF Lifetime Goal	Progress Toward Goal	Contributing Assets (All Years)
<b>Freshwater habitat permanently protected</b> Total area dedicated and managed to achieve long-term protection of freshwater ecosystems	1,002 acres	1,002 acres	2,189 acres	 46%	River Garden Farms
<b>Temporary wetland habitat created onsite</b> Total area managed for seasonal wetland habitat for key species	563 acres	1,704 acres	4,250 acres	 40%	Capinero Creek River Garden Farms
<b>Freshwater habitat restored or with improved condition</b> Total area with re-established or enhanced habitat providing improved ecological functions for key species	89 acres	89 acres	1,350 acres	 7%	Corylus River Garden Farms
<b>Water transferred for environmental purposes</b> Total volume of water that is transferred to wildlife refuges or into waterways to support key species and ecosystems	None	1,436 acre-feet	20,000 acre-feet	 7%	River Garden Farms

TERRESTRIAL					
SWIF Metric	Achieved in 2023	Achieved to Date	SWIF Lifetime Goal	Progress Toward Goal	Contributing Assets (All Years)
<p><b>Terrestrial habitat permanently protected</b></p> <p>Total land area dedicated and managed to achieve long-term protection of terrestrial ecosystems</p>	1,994 acres	1,994 acres	22,249 acres	 <p>9%</p>	Capinero Creek Persea
<p><b>Temporary terrestrial habitat established</b></p> <p>Total land area managed for seasonal terrestrial habitat for key species</p>	1,220 acres	1,220 acres	4,020 acres	 <p>30%</p>	Capinero Creek River Garden Farms
<p><b>Terrestrial habitat restored or with improved condition</b></p> <p>Total land area with re-established or enhanced habitat providing improved ecological functions for key species</p>	125 acres	852 acres	1,901 acres	 <p>45%</p>	BV West Sweetwater Ridge Persea Corylus Manta Farms

RESEARCH & INNOVATION					
SWIF Metric	Achieved in 2023	Achieved to Date	SWIF Lifetime Goal	Progress Toward Goal	Contributing Assets (All Years)
<p><b>Research studies</b></p> <p>Total number of SWIF-driven research studies on improved management of working lands</p>	1 new study in progress	3 studies in progress	7 studies	 <p>46%<sup>10</sup></p>	Azul Solar Persea River Garden Farms (All in progress)
<p><b>Collaborations supported</b></p> <p>Total number of collaborations facilitating research and landscape-wide conservation efforts led by other organizations on SWIF assets</p>	4 new collaborations	14 collaborations	13 collaborations	 <p>108%</p>	Nambucca River Garden Farms Sweetwater Ridge
<p><b>Dissemination of research findings</b></p> <p>Efforts to share key learnings from studies on improved management of working lands with others in the industry</p>	Ongoing				

# 2023 Sustainability Metrics

The Fund's conservation achievements are built on a foundation of environmental and social sustainability. As such, SWIF has set specific objectives focused on climate mitigation, sustainable agriculture, water stewardship, quality jobs, and good governance.

Category	Outcome	Metric <sup>11,12,13</sup>	2023 Results
Climate Mitigation	Develop renewable energy infrastructure	Renewable energy generated in gigawatt hours (GWh)	2.3 GWh
	Reduce greenhouse gas emissions	Scope 1, 2, and 3 emissions (tCO <sub>2</sub> e)	GHG accounting will be released later in 2024
Sustainable Agriculture	Reduce agrochemical use	Responsible nutrient management (% of assets)	100%
	Implement sustainable agricultural practices	Responsible pest management (% of assets)	90%
Water Stewardship	Develop groundwater recharge facilities	Groundwater recharged (total volume in cubic meters (m <sup>3</sup> ))	13,143,385.8 m <sup>3</sup> (10,651 Acre-Feet)
	Use water efficiently	Efficient irrigation management (% of assets)	100%
Quality Jobs	Ensure labor rights are respected and protect workers' wellbeing	Written health and safety policy (% of assets)	100%
	Improve livelihoods and reduce vulnerabilities	Healthcare provided to year-round production workers (% of assets)	100%
		Healthcare provided to seasonal production workers (% of assets)	91%
		Childcare provided to production workers (% of assets)	18%
	Incentivize employees and offer opportunities for career mobility	Paid on-the-job training is offered to production workers (% of assets)	100%
		Program for career development exists for production workers (% of assets)	43%
Good Governance	Advance corporate social responsibility	Code of Ethics in place (% of assets)	57%
		Corporate ESG/Sustainability Policy in place (% of assets)	100%
	Promote diversity, equity, and inclusion (DEI)	Corporate DEI policy in place (% of assets)	91%
		Assets with female-identifying people in management positions (% of assets)	36%

# Conservation Strategy Spotlights

SWIF's achievements in biodiversity and habitat conservation require a full range of tools and approaches. This section spotlights two of SWIF's strategies for creating conservation outcomes alongside business operations: permanent protection and wildlife corridors.

## Permanent Protection

Permanent protection can involve one of two types of transactions. A "conservation sale" involves the sale of land and/or water that results in its ownership by a dedicated conservation entity (e.g., accredited land trust or government agency). A "conservation easement" (or other, similar agreement) imposes legal protections that preserve ecologically significant land and/or water in perpetuity. SWIF has completed or is currently pursuing permanent protection on six properties across more than 22,000 acres.

### SPOTLIGHT: CONSERVATION EASEMENT

## Persea

### Chile

#### ► Why?

Catemu, a part of SWIF's Persea investment, is home to 1,915 acres of Mediterranean sclerophyllous forest and xerophytic scrub habitat. This ecoregion is one of the 34 global hotspots of biodiversity with high levels of endemism – many species in this ecosystem do not exist anywhere else in the world. Given the land's significance and vulnerability, the undisturbed portions of Catemu are a high-priority site for SWIF to safeguard in perpetuity.

#### ► How?

Catemu is now protected by a conservation easement known in Chile as a Derecho Real de Conservación (DRC). The DRC stipulates that the native forest within the protected area cannot be subdivided or transformed into any kind of development. It also protects the stream that runs through the forest down to the valley. This project includes an environmental management plan, annual monitoring, and stewardship funding for the protected area going forward.

#### ► What's Next?

This is one of the first DRC agreements on agricultural working lands in Chile. SWIF is working to socialize this approach with other landowners and stakeholders to protect habitat on commercial private lands. The Fund's goal is for the Catemu DRC to serve as a model that will contribute to furthering the adoption of this mechanism across Chile.



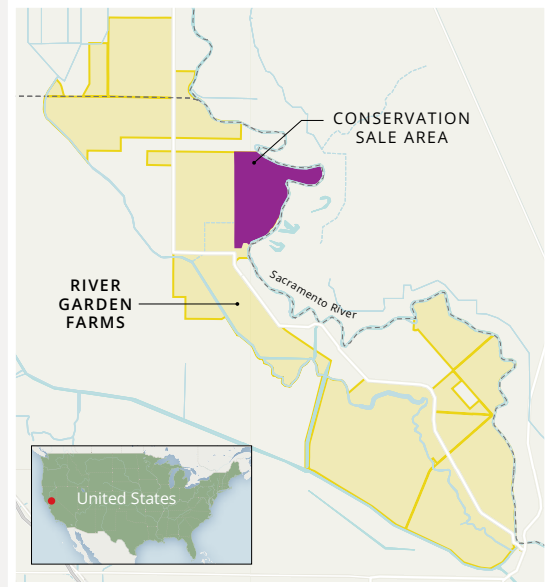
## SPOTLIGHT: CONSERVATION LAND SALE

# River Garden Farms

United States

## ► Why?

SWIF's River Garden Farms property is located along California's Sacramento River and the Pacific Flyway, which is vital for migratory birds. Due to its location and historic management as a wildlife-friendly farm, it has long been a priority for permanent protection. Historically, the Sacramento River's floodplains and side channels provided critical habitat for globally significant, imperiled salmon, but those natural features have largely been eliminated by agricultural development. A 1,000-acre portion of the property provides an opportunity to restore historic floodplains, improve aquatic ecosystem functions, and provide salmon habitat.



## ► How?

A conservation sale allows for the transfer of land and water rights to a conservation buyer for permanent protection and stewardship. SWIF sold this portion of River Garden Farms – both its land and water rights – to River Partners, an environmental nonprofit working across California. The transaction was supported by funding from California's Department of Water Resources.

## ► What's Next?

This conservation sale enabled River Partners to convert this property into the "Turning Point Preserve." Moving forward, River Partners plans to pursue restoration of the floodplain and riparian habitat for endangered salmon and other imperiled wildlife. Protection of this land and its water rights also provides an opportunity to support flood safety for downstream communities and to recharge stressed groundwater aquifers.



Aerial view of the northeast corner of Turning Point Preserve.  
Photo: Fred Greaves, California Department of Water Resources

# Wildlife Corridors

Wildlife corridors are areas of habitat that strategically connect patches of isolated native ecosystems across a landscape that has been disrupted by human uses. Agriculture is one of the biggest contributors to habitat fragmentation (i.e., the fracturing of native habitat into smaller detached pieces). On the other hand, agriculture is also a land use that can offer opportunities for establishing wildlife corridors. The primary objective of such linkages is to allow for the movement of plants and animals between existing patches of habitat. This intervention can have minimal impacts on farming operations and can be applied in a variety of climates and ecological contexts.

## SPOTLIGHT: MEDITERRANEAN SCLEROPHYLLOUS SCRUB ECOREGION

### Corylus Chile

► **Why?**

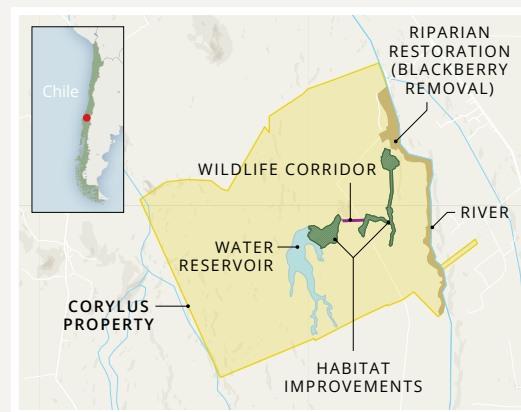
Agricultural expansion has caused significant degradation and fragmentation of native habitat in Central Chile, including the South Maule Region where Corylus is located. The Corylus management plan involved a complete redevelopment of a former rice farm to hazelnuts, which offered an opportunity to approach farm design in a more holistic way that considered the surrounding environment. The main farm of the Corylus investment is bordered by a river on one side and has a patch of native forest in the center, two habitat features that provided the opportunity to integrate a wildlife corridor into the new project design.

► **How?**

In 2023, a 16-acre wildlife corridor was established on the property connecting the patch of native forest with the riparian habitat along the river. The area was planted with over 6,000 native sclerophyllous trees such as barberries, soapbark, Chilean pepper trees, mayten trees, and Chilean acorns. In 2024, habitat enrichment work will expand with over 100 acres of plantings on either side of the initial corridor, which will add more than 8,700 additional native plants.

► **What's Next?**

The wildlife corridor at Corylus will provide local connectivity to support native birds, reptiles, and mammals. Additionally, Corylus serves as a pioneering example of a more holistic approach to commercial farm design.



*Corylus wildlife corridor with young plantings to the right.*

## SPOTLIGHT: MURRAY MALLEE BIOREGION

# Manta Farms

## Australia

### ► Why?

SWIF's Manta Farms is located south of the Murray River in an area of the Murray Mallee bioregion in the state of Victoria that was extensively cleared for irrigated agriculture in the early 20th century. It borders the Wargan-Mallee Bushland Reserve, a 3,571-acre Natural Features Reserve that is home to more than 70 bird species and is managed by the Government of Victoria's Department of Energy, Environment, and Climate Action. Additionally, the property is approximately six miles from the Cardross Koorlong State Forest, which also contains habitat for the same bird species. The strategic location of Manta Farms offers an opportunity to contribute to wildlife connectivity and reduce wildlife travel distance between these natural areas.

### ► How?

A 17.8-acre roadside wildlife corridor abutting Manta Farms will be established by planting native overstory and understory woody plants. In 2023, the southern end of the property was planted with native understory woody plants (about 40% of the project area), with the remainder to be completed in 2024.

### ► What's Next?

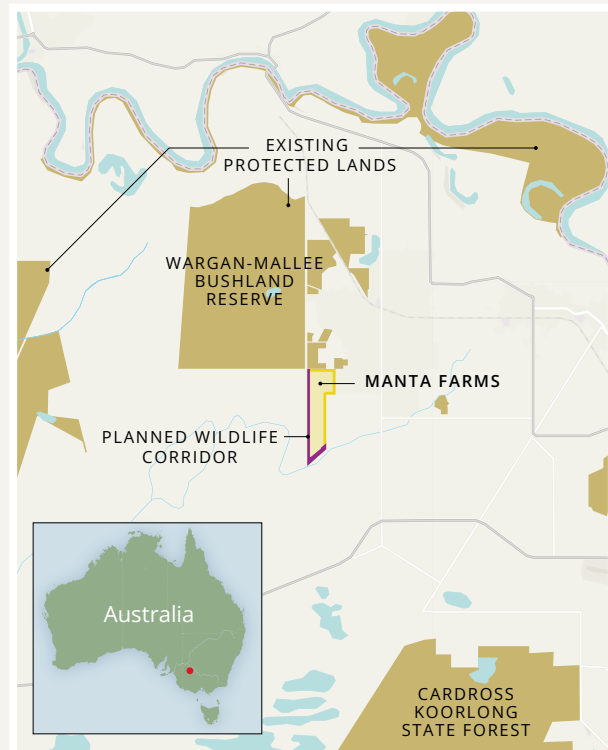
The restored areas will reduce the distance that birds must travel between the Wargan-Mallee Bushland Reserve and the Cardross Koorlong State Forest. Over 70 species of birds such as Regent Parrots, White-browed Babblers, Magpies, White-winged Coots, Blue Bonnet Parrots, Willie Wagtails, White-plumed Honeyeaters, and Common Bronzewing may benefit.



*Plantings establishing the Manta Farms wildlife corridor.*



*Willie Wagtail nest.*



# Sustainability Metrics Glossary

**Renewable energy generated:** All renewable energy, expressed in GWh, generated by SWIF solar assets.

**Scope 1, 2, and 3 emissions:** RRG uses the GHG Protocol definition of Scope 1: Direct GHG emissions that occur from sources that are owned or controlled by the company; Scope 2: GHG emissions from the generation of purchased electricity consumed by the company; and Scope 3: Other indirect GHG emissions that are a consequence of the activities of the company but occur from sources not owned or controlled by the company.

**Responsible nutrient management:** Includes implementation of all of the following actions: soil testing to determine macronutrients in the last three years; foliar testing to confirm nutrient requirements (if applicable); taking testing results into account in the nutrient management plans; nutrient application to ensure maximum absorption by the crop and minimal runoff; development and implementation of a written protocol for nutrient management.

**Responsible pest management:** Includes implementation of all of the following actions: regular pest scouting by Pest Control Advisor (PCA) or other qualified expert; scouting data used in conjunction with economic thresholds before application; biological, mechanical, and cultural methods used prior to chemical application; written integrated pest management plan; evaluation of pesticides with the goal of using the lowest rates and/or least toxic options; targeted/spot applications done when possible.

**Investments with cover crops planted:** Includes all agricultural assets incorporating cover crops on site, which are defined as a non-cash crop grown in addition to the primary cash crop. Cover crops may be primarily grown to cover the soil, but are used for a variety of benefits, including soil health, prevention of soil erosion, promotion of water infiltration, support of beneficial insects, provision of pollinator forage, and more (adapted from University of California Agriculture and Natural Resources, 2021).

**Groundwater recharged:** Includes the volume of all groundwater recharged, expressed in cubic meters and acre-feet, that occurred on SWIF assets. Groundwater recharge is defined as the practice of increasing the amount of water that enters an aquifer through human-controlled means (United States Geological Survey, 2019). Some groundwater recharge projects may use short-term water surpluses that occur only infrequently (California Water Resources Control Board, 2021).

**Efficient irrigation management:** Undertaking five out of the six following practices: drip or micro-sprinkler irrigation; water application determined by direct measurement; regular recording of water use; irrigation timing/amount determined from crop evapotranspiration; irrigation system maintained and regularly tested; and/or irrigation system tested for distribution uniformity.

**Written health and safety policy:** Includes agricultural assets that have written health and safety policies or procedures for which they provide training to workers (see definition of “Worker” below). Topics included in the health and safety policies and trainings may include but are not limited to: injuries and injury prevention (e.g., cuts, burns, falls), first aid, cardiopulmonary resuscitation (CPR), equipment safety practices, heat stress and heat illness, personal protective equipment (PPE), ergonomic hazards and proper lifting techniques, rest breaks, pesticide safety, and machine safety (e.g., lock-out and tag-out procedures).

**Healthcare provided to year-round production workers:** Includes agricultural assets that provide or make healthcare available to all year-round workers (see definition of “Worker” below). Includes both company-provided private health care options and state-mandated healthcare coverage.

**Healthcare provided to seasonal production workers:** Includes agricultural assets that provide or make healthcare available to all seasonal workers (see definition of “Worker” below). Includes both company-provided private health care options and state-mandated healthcare coverage.



**Childcare provided to production workers:**

Includes agricultural assets that provide childcare to workers, including year-round and/or seasonal workers (see definition of “Worker” below). Includes company provided childcare as well as subsidies or reimbursements for external childcare providers.

**Paid on-the-job training is offered to production workers:**

Includes agricultural assets which offer on-the-job training to workers paid by the operation (see definition of “Worker” below).

**Program for career development exists for production workers:**

Includes agricultural assets which offer a program for career development.

**Code of Ethics in place:** Code of Ethics, Anti-Corruption, and Business Conduct, or similar policy has been developed.

**Corporate ESG/Sustainability Policy in place:**

Corporate ESG/Sustainability policy has been developed and communicated.

**Corporate DEI policy in place:** Corporate DEI policy has been developed and included in employee handbook or other written policies.

**Assets with female-identifying people in management positions:**

Includes all assets which have female-identifying people in management positions. A management position is any C-Suite, executive, or directorial role, or any role that includes supervising and managing other employees.

**Worker:** Defined as a person who performs labor in return for a monetary amount. A worker encompasses all types of persons working irrespective of their contractual status, such as: permanent; temporary; seasonal; migrant; family; piece-rate workers; documented; undocumented; hired through a labor provider; persons in training; (group) management staff, including interns and apprentices; and also persons temporarily absent from a job or enterprise at which they recently worked for illness, parental leave, holiday, training, or industrial dispute. Workers contracted throughout the year are defined as “year-round” and those contracted for part of the year are described as “seasonal” (Rainforest Alliance, 2020).



*Persea DRC.*

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## NOTES

- 1 There can be no guarantee that the Fund will be able to implement its investment strategy or achieve its investment objectives.
- 2 SWIF and its portfolio companies pay TNC for technical consulting services provided to SWIF and the Fund's portfolio companies.
- 3 This list is for illustrative purposes only and includes projects in which RRG's investment stake is over 5%.
- 4 Key Investment Themes represent the primary investment areas contemplated in an asset's business plan; however, additional themes can, and have been, pursued.
- 5 TNC is not involved in the Ferry Canyon Orchards investment.
- 6 Whether an investment's value creation opportunities are driven primarily by water, agriculture, or renewables, all SWIF investments are guided by the Fund's core theme of advancing sustainable water management in some of the world's most productive growing regions.
- 7 Primary Investment Theme and Geography charts depict allocation of capital committed as of December 31, 2023. Capital Invested may be inclusive of amounts outstanding on the Fund's subscription line of credit as of December 31, 2023. Capital Invested includes realizations recycled back into the portfolio.
- 8 California, Department of Water Resources "The California Water System." <https://water.ca.gov/Water-Basics/The-California-Water-System>.
- 9 This includes all land and water that has been reviewed and has adhered to SWIF's minimum requirements, including assets that have since exited the portfolio.
- 10 Includes research projects currently in progress.
- 11 Detailed definitions for all metrics below can be found in the Sustainability Metrics Glossary at the end of this report.
- 12 For the purpose of calculating these metrics, Frutura investments were split into individual business units to reflect differences in management. Categories for Frutura were: Agrícola Don Ricardo, Dayka & Hackett, Frutura Uruguay, and Subsole.
- 13 These metrics are only collected and reported for real assets where RRG has operational control and/or majority ownership.

# RRG

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