



Environmental, Social, and Governance (ESG) Policy

Sathguru Catalysers

1. Introduction: Commitment to Responsible Investing

Sathguru Catalysers is an impact-first venture capital fund dedicated to fostering transformational change through investments in climate-resilient agriculture, sustainable food systems, and accessible healthcare. Our ESG-driven approach ensures that every investment contributes to long-term sustainability, inclusive growth, and measurable impact.

Sathguru Catalysers is committed to embedding **Environmental, Social, and Governance (ESG) principles** across all aspects of our investment process to drive sustainable and responsible growth. Our ESG approach aligns with global frameworks such as the United Nations Principles for Responsible Investment (UNPRI) [1] and Impact Investors Council (IIC) [2] while ensuring compliance with local and international standards.

We believe that responsible investing enhances long-term value creation, mitigates risks, and promotes positive environmental and social impact. ESG considerations are integrated throughout the investment lifecycle, from due diligence to monitoring and exit strategies.

2. Alignment with the Sustainable Development Goals (SDGs)

Our ESG strategy is aligned with the following **United Nations Sustainable Development Goals (SDGs)** to ensure impactful and measurable outcomes:

- **SDG 1: No Poverty** - Investing in financial inclusion and economic opportunities to alleviate poverty.
- **SDG 2: Zero Hunger** – Supporting climate-resilient agriculture and food security.
- **SDG 3: Good Health and Well-being** – Investing in accessible and affordable healthcare solutions.
- **SDG 5: Gender Equality** – Promoting diversity and equitable workforce practices.
- **SDG 9: Industry, Innovation and Infrastructure** - Fostering sustainable industrialization and technological innovation.
- **SDG 12: Responsible Consumption and Production** – Encouraging sustainable food systems and waste reduction.
- **SDG 13: Climate Action** – Advancing climate-smart technologies and sustainability-driven investments.



3. ESG Integration Across Investment Lifecycle

3.1 Deal Identification

- **Impact Consideration:** Assess potential investments for alignment with our impact focus areas: smallholder resilience, climate action, sustainable food systems, and accessible healthcare.
- **ESG Consideration:** Screening for ESG alignment, assessing potential impact on climate resilience, food security, and healthcare accessibility.

3.2 Due Diligence

- **Impact Consideration:** Evaluate key impact metrics relevant to environmental sustainability, social equity, and governance standards.
- **ESG Consideration:** ESG risk assessment, data collection on key impact metrics, and alignment with Sustainable Development Goals (SDGs) [3].

3.3 Deal Execution & Agreement

- **Impact Consideration:** Ensure portfolio companies adopt quarterly and annual impact reporting.
- **ESG Consideration:** Formalize ESG action plans in agreements, with clear milestones and commitments, alignment with international best practices and risk mitigation strategies.

3.4 Investment Monitoring

- **Impact Consideration:** Half-yearly impact data monitoring and annual sustainability reports.
- **ESG Consideration:** Regular ESG performance tracking, including compliance with global ESG standards.

3.5 Investment Exit

- **Impact Consideration:** Conduct an impact analysis to measure long-term sustainability effects.
- **ESG Consideration:** Evaluate ESG performance before exits to ensure sustainable transitions.

4. Environmental (E) Considerations

4.1 Key Focus Areas:

As a firm investing in climate-resilient agriculture, sustainable food systems, and accessible healthcare, our environmental strategy focuses on:



Climate Action & Resilience

- Promoting GHG emissions reduction across portfolio companies.
- Supporting climate-smart agricultural solutions and sustainable food production [4].
- Encouraging resource-efficient technologies in food, healthcare, and supply chains.

Sustainable Agriculture & Food Systems

- Investments in low-carbon and resource-efficient ag-tech and food-tech solutions.
- Adoption of regenerative farming practices and water-efficient irrigation [5].
- Investments in animal healthcare and animal tech.

Circular Economy & Waste Management

- Reducing post-harvest losses through efficient logistics and storage solutions.
- Minimizing waste in food processing

4.2 SDG Alignment:

- **SDG 1 (No Poverty):** Increased agricultural productivity.
- **SDG 2 (Zero Hunger):** Sustainable agricultural investments.
- **SDG 12 (Responsible Consumption & Production):** Sustainable resource management.
- **SDG 13 (Climate Action):** Climate resilience and low-carbon initiatives.

5. Social (S) Considerations

5.1 Key Focus Areas:

Sathguru Catalysers prioritizes inclusive and equitable growth by ensuring:

Fair & Inclusive Workforce Practices

- Compliance with labor laws and fair wages [6].
- Commitment to gender equality and diverse leadership teams.
- Elimination of child and forced labor [7].

Healthcare Access & Equity

- Investments in affordable and accessible healthcare [8].
- Promoting digital health solutions and medical innovations.



Smallholder Farmer & Rural Development

- Enabling financial inclusion for farmers.
- Scaling tech-driven solutions for smallholder productivity.

5.2 SDG Alignment:

- SDG 1 (No Poverty): Economic upliftment of smallholder farmers.
- SDG 3 (Good Health & Well-being): Investments in accessible healthcare.
- SDG 5 (Gender Equality): Promotion of diversity and inclusion.

6. Governance (G) Considerations

6.1 Key Focus Areas:

Strong governance ensures ethical business practices, transparency, and alignment of interests. We uphold:

Ethical Business Conduct

- Zero tolerance for corruption, bribery, and unethical practices [9].
- Transparent investment and reporting mechanisms.

Board & Management Oversight

- Establishing diverse, inclusive, and accountable leadership.
- Implementing independent audit and risk management processes.

Regulatory & Compliance Standards

- Alignment with local and international financial, labor, and environmental laws.
- Annual ESG performance assessments across portfolio companies.

6.2 SDG Alignment:

- SDG 9 (Industry, Innovation & Infrastructure): Investments in ethical and responsible technology.



7. Exclusions List:

Sathguru Catalysers will not invest in companies engaged in the following activities:

- Forced or Child Labor - Any organization involved in forced labor or child labor as defined by the ILO conventions.
- Illegal Activities - Any activity deemed illegal under applicable local, national, or international laws, including but not limited to:
 - Hazardous chemicals, pharmaceuticals, pesticides, and wastes banned under international conventions.
 - Ozone-depleting substances as defined by the Montreal Protocol.
 - Trade in endangered species as per the Convention on International Trade in Endangered Species (CITES).
- Destruction of High Conservation Value Areas - Activities leading to severe environmental degradation, deforestation, or destruction of biodiversity-rich areas.
- Cross-Border Trade in Hazardous Waste - Any trade in hazardous waste that does not comply with the Basel Convention.
- Weapons and Munitions - Manufacturing, distribution, or trade of weapons, firearms, munitions, and other military products.
- Tobacco and Related Products - The production or trade of tobacco-related products.
- Pornography and Prostitution - Activities related to the production, distribution, or facilitation of pornography or prostitution.
- Alcohol and Gambling Enterprises - Any business where alcohol or gambling represents a substantial portion (>10%) of revenue.
- Radioactive Materials - Production, trade, or use of radioactive materials, except for medical equipment or industrial applications where adequate shielding exists.
- Unsustainable Fishing Methods - Fishing practices that harm marine ecosystems, including blast fishing and drift net fishing with nets exceeding 2.5 kilometers in length.
- Coal-Fired Power Plants - Construction or expansion of coal-fired thermal power plants.
- Racist and Anti-Democratic Media - Media that promote hate speech, discrimination, or undermine democratic values.

8. Implementation & Monitoring

8.1 ESG Action Plans

Each portfolio company must adhere to an ESG action plan with measurable indicators.



8.2 Reporting & Compliance

Annual ESG reports will assess progress against KPIs, in line with the **Principles for Responsible Investment (PRI)** and **Impact Investors Council (IIC)** guidelines and other global standards [10].

8.3 Continuous Improvement

We commit to refining our ESG strategy through ongoing research, stakeholder feedback, and industry best practices.

9. References & Frameworks

1. UN Principles for Responsible Investment (UNPRI) - www.unpri.org
2. Impact Investors Council (IIC) - www.impactinvestorscouncil.org
3. United Nations Sustainable Development Goals - www.un.org/sustainabledevelopment
4. Climate-Smart Agriculture - Food and Agriculture Organization (FAO) - www.fao.org
5. Regenerative Agriculture - Rodale Institute - www.rodaleinstitute.org
6. International Labour Organization (ILO) - www.ilo.org
7. UN Guiding Principles on Business and Human Rights - www.ohchr.org
8. World Health Organization (WHO) - www.who.int
9. OECD Anti-Corruption Guidelines - www.oecd.org
10. ESG Reporting Standards - Global Reporting Initiative (GRI) - www.globalreporting.org

This policy is a living document and will be reviewed annually to align with evolving best practices in sustainable investing.

Sathguru Catalysers Effective Date: 04.02.2025