

Vestaron: The Power of Peptides

Overview

Vestaron onboarded to ESG+Impact measurement with Proof through iSelect, a venture fund investing in nutrition and the future of health. iSelect started measuring key metrics with Proof in 2022, to better understand their fund's ESG+Impact performance, prepare for regulatory compliance, and support performance improvement. Vestaron has stood out as an ESG+Impact leader within iSelect's portfolio, delivering on key fronts such as gender diversity at the leadership and employee level, and with their progress towards the sustainable development of their product.



We are tremendously excited about the potential for Vestaron's sustainable products to reduce the use of traditional synthetic pesticides. As well, their commitment to ESG and impactful practices as a firm, demonstrates their clear leadership in this area. We are very pleased to support Vestaron's efforts to improve the health of our people and planet.



Mark McCall

MANAGING DIRECTOR AT ISELECT FUND

About Vestaron:

Vestaron is leading a peptide-based revolution in crop protection. The company is committed to providing growers with novel, effective chemistries that address proven neuromuscular targets. Vestaron's peptides overcome existing resistance issues while offering a desired safety profile for workers, beneficials and the environment.

 Vestaron's innovations promote sustainability through:

- Novel modes of action in the fight against resistance
- Renewable product manufacturing using sugars and yeast, not fossil fuels
- Harnessing the power of synthetics with the safety and sustainability of biologicals

Vestaron's ESG+Impact Goals:

- Defining a scalable ESG+Impact strategy
- Tracking key metrics to tell Vestaron's story
- Preparing ESG foundation for future IPO
- Generating stakeholder reports
- Meeting investor reporting requirements



[Vestaron has] a great product, and they've got diversity and from my perspective of being an employee, they do truly allow you to show up how you want to show up. So, be who you are, bring your expertise along, and let's change the world together. And I haven't seen that in the Ag space in quite awhile.



Sarah Fox

VP SUSTAINABILITY AT VESTARON

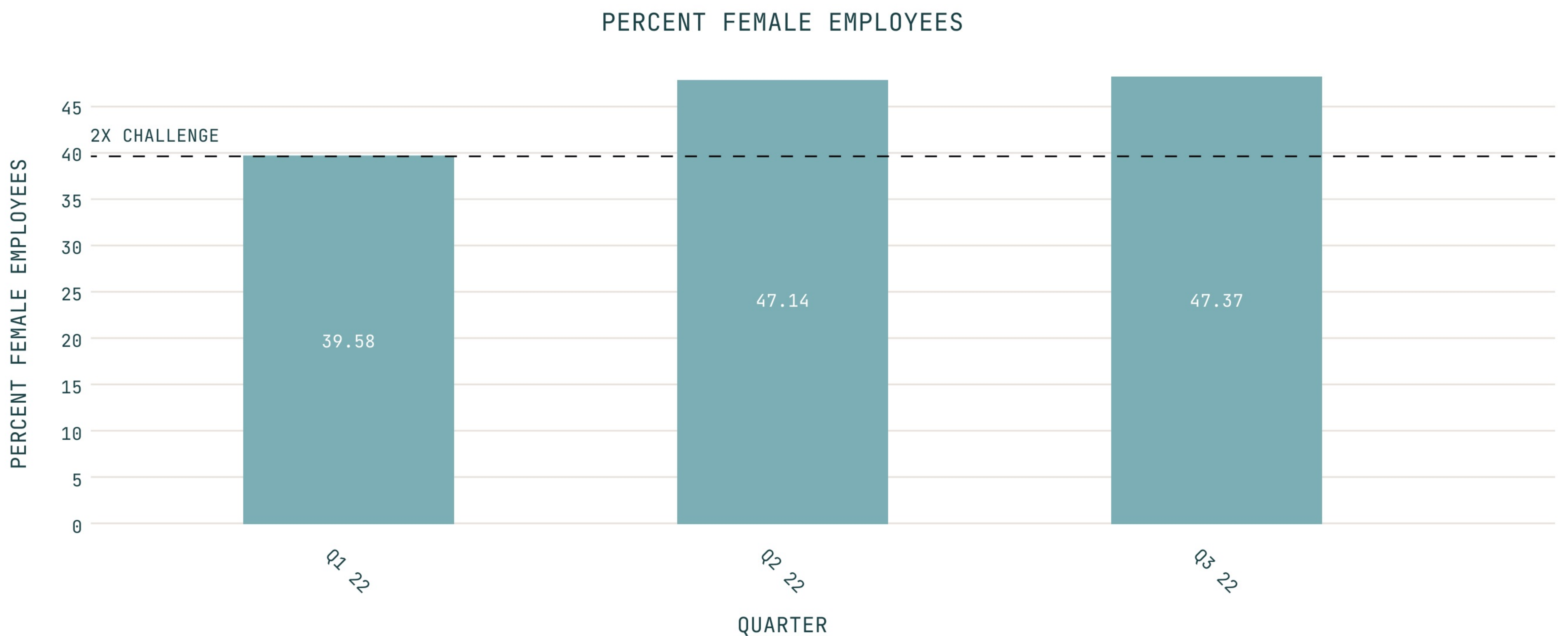
ESG+Impact: Preparing for IPO

1 Define:

iSelect worked with Proof to select several metrics important to the food and agriculture industry, in order to meet LP reporting requirements, support portfolio companies with performance improvement, and message the fund's impact externally. iSelect placed an emphasis on Diversity, Equity & Inclusion (DEI), choosing to include metrics measuring female leadership, minority leadership, and female employees – and with good reason. In McKinsey's 2022 study on global private markets, the firm found that the majority of institutional investors are asking for and receiving diversity data, particularly in the run up to an IPO. They've discovered what they've called a 'diversity premium': When 10 prominent CIOs were asked to allocate a fixed amount of capital between two hypothetical and identical PE funds, on average, the investors allocated double the amount of capital to the PE fund with greater gender diversity and 2.6 times as much capital to the fund with greater ethnic and racial diversity.

2 Measure:

Vestaron submits ESG + Impact data to iSelect on a quarterly basis through Proof's digital assessment platform. In the future, Vestaron is considering to directly integrate its existing data systems into the Proof platform, for a continuous stream of data on its key performance indicators that enables transparency and performance management beyond its quarterly investor reporting requirements. Vestaron's performance is benchmarked against iSelect's portfolio average and the 2X Challenge (see below).



The 2X Challenge is a commitment to finance women-led businesses who are '2X Certified' through their progressive female representation.

3 Improve:

By digitally tracking sustainability and DEI metrics, iSelect can easily discern where to target improvement efforts and keep dialogue with their portfolio companies focused on their impact and financial outcomes. Measuring against recognized benchmarks such as the 2X Challenge allows Vestaron and iSelect to see how they compare to their peers, set targets to work towards, access new pools of capital, and showcase key metrics when promoting an IPO. Here's an example of how Vestaron and iSelect reviewed performance against 2X criteria:

- ☒ **Entrepreneurship:** Vestaron is female-founded, setting the business apart from majority male-owned agriculture technology companies.
- ☐ **Leadership:** Vestaron does not yet meet the threshold of 30% women in senior management. iSelect and other investors can support Vestaron to identify female management talent pipelines as the company continues to grow its leadership team and board of directors.
- ☒ **Employment:** Vestaron exceeds the 40% threshold for women in the workforce, setting it apart from other Agriculture & Food companies.



The proportion of assets managed under sustainable criteria is growing quickly and pre-IPO companies that do not meet ESG standards risk being locked out of that capital...ESG data is now a must have.



Martin Steinbach

EMEIA IPO LEADER AT EY



By the time we go public, I want us to be making bold commitments. These are our goals, this is how we've been tracking it, and this is our progress to date...[The Proof] platform and the work that Vestaron is already doing in that space, and the fact that [Proof has] a tool available for us, will allow us to be ahead of the game as we start moving down the path towards going public.



Sarah Fox
VP SUSTAINABILITY AT VESTARON

90%	of S&P 500 companies now publish ESG reports	
88%	of investors say that their perception of a company's reporting impacts their perception of the quality of its management	
75%	of Morningstar's ESG-screened indexes outperformed their broad market equivalents in 2020	
	https://www.pwc.com/gx/en/corporate-reporting/assets/cr-survey-global-final.pdf	