

FEATURED CASE STUDY

S2G VENTURES

INVESTMENT:

CLEAR FRONTIER

Nebraska-based farmland fund partnering with family farms, fostering sustainable practices and specialty crops to meet rising demand for organics.

CASE STUDY

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INVESTMENT STRATEGY	S2G VENTURES	INVESTMENT TYPE	GP EQUITY STAKE
SECTOR	AGRICULTURE	OWNERSHIP STAKE	MINORITY
INVESTMENT DATE	FEBRUARY 2019	IMPACT VALUE CREATION MODALITY	GROWTH
GEOGRAPHY	UNITED STATES		

INVESTOR & COMPANY OVERVIEW

S2G VENTURES (S2G) partners with entrepreneurs addressing global challenges in the realms of food and agriculture, oceans, and clean energy. In addition to capital, S2G provides value-added services and resources to companies pioneering market-based solutions for positive social, environmental, and financial impact.

CLEAR FRONTIER, a Nebraska-based farmland fund, partners with farmers to facilitate a transition to and expansion of sustainable farming practices. Clear Frontier has built a crop portfolio to address the growing demand for organic products, supporting farmers by providing proprietary tools, a network of strategic partners, and specialized support in areas such as soil health, organic certification, and carbon sequestration.

INVESTMENT THESIS


S2G's investment in Clear Frontier aligns with the firm's commitment to catalyze transformative change in food and agriculture, specifically by promoting the environmental and economic opportunities of organic and regenerative farming. Organic practices eliminate synthetic pesticides, enhance soil health, improve water retention, and accelerate carbon sequestration. Additionally, organic products can receive a 2-3x higher price per bushel than conventional crops. To address the supply-demand gap for sustainably grown organic products in the US, S2G contributed its expertise and network across the food and agriculture industry to help launch Clear Frontier and advance connectivity across the value chain from farmer to consumer.

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KEY ELEMENTS OF VALUE CREATION:

S2G's value creation approach is anchored in the GROWTH modality:

IMPACT VALUE CREATION MODALITY	VALUE CREATION ACTIVITY	FINANCIAL DRIVERS	VISIBILITY OF FMI
 <p>GROWTH</p>	<p>Facilitate Clear Frontier's corporate buyer relationships and strategic partnerships through S2G's network of impact-aligned partners in the food and agriculture sector</p>	<ul style="list-style-type: none"> • Revenue growth through increased market share and market insights 	<p>S2G identified a discernible value creation and profit-generating opportunity to connect Clear Frontier to corporate buyers, and is leveraging its network in the agriculture industry to build these connections.</p>
	<p>Accelerate Clear Frontier's acquisition of acreage and subsequent impact with active capital fundraising support</p>	<ul style="list-style-type: none"> • Revenue growth through additional capital raised to acquire farmland 	<p>S2G supported fundraising as a clear avenue to scale impact and revenue.</p>

VALUE CREATION

PRODUCT AND MARKET DEVELOPMENT

Harnessing its extensive corporate relationships in the food and agriculture sector, specifically amongst businesses with impact-related objectives, S2G facilitates collaborations between Clear Frontier's farming partners and consumer packaged goods (CPG) companies seeking to enhance their organic and regenerative sourcing capabilities. This enables important connections across the full value chain that were previously points of friction in the industry. As Clear Frontier scales its acreage, CPG partners could become direct buyers of their organic products, enabling the firm to supply the demand for high-quality, domestic, organic products.

Additionally, S2G's existing portfolio of food and agriculture companies is a source of strategic insights into broad industry trends, and an existing network of potential strategic partnerships and critical vendor relationships to support Clear Frontier's operational growth. For instance, Clear Frontier is a customer of

EarthOptics, a soil data measurement and mapping business, and also a S2G portfolio company. Clear Frontier utilizes EarthOptics as a critical tool across 100% of its acreage to measure soil health, quantify soil organic matter and related carbon impacts, and reduce input costs.

VALUE CREATION

ACCESS TO ALIGNED CAPITAL

Fundraising plays a pivotal role in the success of Clear Frontier, with access to capital directly correlated with revenue growth and scaled impact through the acquisition of additional acreage and scale of impact. As an early partner, having supported the business from the development of its proof of concept and impact-aligned vision, S2G was able to further facilitate Clear Frontier's initial fund launch and catalyze capital through its network of mission-aligned investors. Clear Frontier successfully raised over \$200 million in LP commitments, enabling the business to reach its desired fund size and acquire additional acreage.

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LESSONS LEARNED

- **Impact expertise and network:** S2G has had a hands-on partnership with Clear Frontier from the business's early days, helping shape its organizational strategy and center impact. Positioning the business as impact focused has enabled Clear Frontier to attract new customers and mission-aligned capital, particularly amongst S2G's existing ecosystem of impact-aligned corporations and investors.

