

María Gilma Montoya, coffee producer and member of the Flor de Café Cooperative, at her Las Lomas farm. Amazonas region, Peru. Credit: Adrian Portugal/Root Capital

Root Capital

Root Capital's 2025 Annual Report

About Root Capital

Our mission is to grow rural prosperity and build the resilience of farming families around the world. We envision thousands of rural businesses supporting a thriving agricultural sector.

Since 1999, Root Capital has invested more than USD 2.1 billion in over 900 agricultural small- and medium-sized enterprises (agri-SMEs) across Latin America, Africa, and Southeast Asia, and provided tailored training to 2,500 agri-SMEs. Together, this capital and capacity building have raised incomes and created opportunities for more than 10 million people in farming communities.



Women sorting through dried coffee beans. Maraba Cooperative. Butare, Rwanda
Credit: Adam Finch/Root Capital

Message from Founder

Dear Root Capital community,

2025 was a turbulent year on the global stage, marked by unpredictable markets, geopolitical upheaval, and subsequent tighter funding landscapes. In the middle of so much uncertainty, the rural agricultural communities with whom we partner continued to bear the brunt of intensifying climate stressors.

Despite these headwinds, our global team didn't simply hold the line – they pushed through it. We hit a **decade-long record for loan disbursements, channeling vital financing to 196 agricultural enterprises** across Africa, Latin America, and Indonesia.

What does this look like on the ground? These figures translate into raised **incomes and new opportunities for more than 441,000 smallholder farmers**—nearly half of whom are women.

In December 2025, I spent a week in Uganda visiting Root Capital clients alongside our longtime partners at the Wagner Foundation and our intrepid team on the ground. Root Capital has been in Uganda's coffeelands for 20 years now, from the Rwenzori Mountains in the west to Mt. Elgon in the east. What I saw there is the throughline of this entire report: young women like Aline Bahiigwa at Nabingoola Women's Coffee Farmers Cooperative and Barbara Mugeni and Kampire Pamella at Kwezi Coffee are founding and leading agri-SMEs and cooperatives, holding management roles, and building the peer trust that lets these businesses grow. At Mount Elgon Agroforestry Communities Cooperative Enterprise, that same commitment shows up in the form of 10 million trees planted, an on-site child care facility, and something as simple—and as easily overlooked—as proper tables and chairs for the women who sort the coffee. This is how climate resilience and gender equity show up when they're integrated into the fabric of a business.

Throughout our 26 years of partnering with agricultural businesses, we have constantly learned and adjusted to meet the needs of our clients. Right now, climate change is the defining threat of our time – yet less than 1% of global climate finance actually reaches small-scale agriculture. We are determined to change that.

I'm proud to say that in 2025, we broke our organization's record for climate financing disbursements. We distributed $2.4 million in climate-specific loans and grants to 22 clients. This went directly into the hands of farmers to invest in climate-resilient, nature-positive agriculture (e.g., agroforestry, organic composting, solar and biodigester technologies, and soil restoration).

Now we're looking ahead, as we launch our next ten-year vision - **Root Regen 2035: Growing Smallholder Prosperity, Inclusion, and Climate Resilience in the Regenerative Decade**. Designed to meet a moment that demands more of our sector, our vision builds on our history to expand what Root Capital does and how we do it. We're deepening our commitment to the agricultural enterprises standing on the frontlines of the climate crisis. By tackling the massive climate financing gap, we are helping farmers scale the regenerative practices that will protect their communities—and our planet—for generations to come.

On behalf of our entire team here at Root Capital, we are so thankful for our steadfast partners who make this journey possible.

With gratitude,
Willy Foote
Founder & CEO

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Introduction

Over 2.5B

people rely on small-scale farming for their livelihoods.

Smallholder farms under two hectares produce **35%** of the world's food on just **12%** of its land, providing food security for **one-third** of the world's population while stewarding critical landscapes and forest ecosystems.

Since its founding in 1999, Root Capital has distributed over **$2.1B** to rural agricultural clients around the world.

We partner with and invest in agricultural small- and medium-sized enterprises (agri-SMEs), because they organize and connect hundreds to thousands of farmers to markets and provide critical service bundles.

Despite their economic power, agri-SMEs have fallen into the "missing middle" of smallholder agricultural finance: considered too small, risky or remote for commercial lenders to serve, yet too large for micro-finance institutions. Limited resources, lack of affordable capital, and restricted market access push these farmers to operate on razor-thin margins – with their resources already stretched thin before any external shock arrives.

Our clients and farmers now face the acceleration of climate change, which threatens their livelihoods and the landscapes they steward. Bridging the climate finance gap has emerged as the newest frontier and highest priority of our ongoing efforts to grow the prosperity and resilience of smallholder farming communities globally. *Root Regen 2035: Growing Smallholder Prosperity, Inclusion, and Climate Resilience in the Regenerative Decade* is our vision and response.

A Year of Change

2025 was an exceptionally **turbulent year for the global agricultural commodity market**. At the beginning of the year, record prices in coffee, cocoa and macadamia drove an intense wave of demand from clients who wanted to take advantage of these market conditions. This year was also marked by **widespread changes in the international development funding** landscape, which included a dramatic retreat from gender-specific financing.

Many Root Capital clients also faced **major climate and geopolitical shocks**. In the Democratic Republic of Congo, as global market turbulence coincided with the M23 conflict that resulted in the departure of other lenders from the country, we grew our loan sizes to better serve our clients. In Indonesia, where Cyclone Senyar caused catastrophic and deadly flooding that resulted in severe operational disruptions for our clients, we mobilized quickly to provide emergency resilience grants. Our clients used those funds to buy survival essentials for employees and farmers and help businesses restart operations.

Barillas Tree Nursery, Barillas, Guatemala
Credit: Adam Finch/Root Capital

2025 Achievements

$176.8M
in loan disbursements

441,000
smallholder farmers reached

$2.37M
in climate finance disbursements*
*an organizational record

70%
of lending clients were women-led and/or women-inclusive businesses

- Winner: 2025 NCA Origin Charity of the Year
- Skoll Storytelling Project: Root Capital's Skoll-supported documentary With Our Women's Hands, following Honduran coffee farmer Carmen and the all-women AMPROCAL cooperative, premiered in Honduras and has since screened at several film festivals.
- Root Capital's Head of Advisory, Africa, Rose Ochieng was featured in Authority Magazine, "Social Impact Heroes: Why & How Rose Ochieng Of Root Capital Is Helping To Change Our World." The interview delves into her work to support the Women in Agriculture Initiative and building women's empowerment in rural communities.
- Elizabeth Teague was part of ImpactAlpha's Money & Meaning podcast to discuss the impact of climate change on farmers in Africa, Latin America, and Southeast Asia and Root Capital's climate finance work for smallholders.
- Leonor Gutierrez, the Director of Root Capital's Women in Agriculture Initiative, was a voice at the Women-Powered Coffee Summit in Chiapas, Mexico. This third annual meeting brought together smallholder women coffee farmers from across Latin America and the world to discuss coffee, equity, and the future of the industry, with a focus this year on climate considerations and intersectionality.
- Root Capital contributed to Business Fights Poverty's COP Climate Series and, at COP30 in Belém, Manager of Climate Resilience Kyle Sweeney joined ANDE's Climate Connections event and a Business Fights Poverty session to make the case for local agricultural enterprises as a critical channel for climate finance to smallholder farmers.
- READ: Build Climate Resilience from the Ground Up By Investing in Agricultural Enterprises

Access to Finance



Beline Uwimana walking across the farm. Abakundakawa Cooperative. Gakenke, Rwanda.
Credit: Adam Finch/Root Capital

$176.8M

in total disbursements, our highest disbursements in over a decade

90%

of clients accessed financing that was otherwise unavailable in commercial markets at similar terms

$355M in payments to producers

unlocked by Root Capital's financing directly

Access to finance is at the heart of our work. By investing in agri-SMEs, Root Capital helps create better market outcomes for cooperatives as well as their farmers. Having sufficient cash flow enables cooperatives to pay farmers for commodity crops (e.g., coffee, cocoa and macadamia nuts) immediately after harvest.

This efficient process ensures that:

1. Cooperatives have commodity goods to sell to large export buyers;
2. Cooperatives maintain healthy relationships with their farmers;
3. Cooperatives serve as a stable purchaser for farmers, creating sustainable farmer income;
4. Sustainable farmer income reduces financial stress and increases food security for farmers and their families; and
5. Farmers can avoid selling their harvests for less than market value to predatory intermediaries.

Ultimately, access to finance builds vital market infrastructure in the world's most rural regions, as Root Capital clients have proven time and time again.

Root Capital primarily distributes capital through loans and credit products and provides capacity building support through our Business Management Advisory (BMA) and Digital Business Intelligence (DBI) Advisory services. These advisory services help businesses better qualify for financing from Root Capital as well as from other financial institutions. BMA encompasses all essential functions for running an agri-SME, from basic financials to HR functions, while DBI trains businesses to leverage high-quality digital data to inform their business decisions.

2025 Outcomes

In 2025, Root Capital **disbursed $176.8 million of capital to our agri-SME clients**, $112.5M of which was invested in women-led/women-inclusive businesses and $2.3M of which was direct climate finance.

Through these investments, Root Capital helps agri-SMEs open doors to other financial partners. Clients that received consistent Root Capital financial support (financing for at least two years) realized **an additional $138M in follow-on financing** from other sources.

These loans are proof that Root Capital is filling gaps in agricultural finance. In 2025, Root Capital enabled **90% of its clients to access financing** unavailable in commercial markets at similar terms, provided the **first significant loan for nearly 40% of clients**, and issued first-time loans to approximately 10% of clients, who had solely received advisory in previous years.

By building partnerships beyond investments, Root Capital helps develop market infrastructure that benefits cooperatives as well as their farmers. In 2025, our clients – representing over 150,000 farmers – paid a premium over local market prices, **boosting annual farmer income 35% above the global poverty line.**

Resilience Grants

Resilience Grants provide funding to clients to support their progress in our impact areas: Access to Finance, Next Generation Jobs, Climate Action, and Women in Agriculture. Each grant is approximately USD $16,000.

In 2025, **Root Capital disbursed 26 Resilience Grants**: 10 in support of Agronomic & Climate Resilience initiatives; three in support of client bankability; nine emergency grants (distributed solely to clients in Indonesia in the wake of Cyclone Senyar); two in support of women-inclusive initiatives; and two in support of Savings and Credit Cooperative Organizations (SACCOs).



Macadamia Nuts. Sagana Nuts Cooperative. Embu, Kenya. Credit: Adam Finch/Root Capital

Client Spotlight

Federación Campesina del Cauca & the local currency pilot program in Colombia

In 1971, in the rural department of Cauca, Colombia, a group of farmers created the Federación Campesina del Cauca (FCC). Initially formed to defend the rights to their land, improve their families' livelihoods, and organize small producers, FCC became the conduit through which their members accessed both local and international markets at fair prices. As a co-op of nearly 600 coffee farmers, FCC ensures sustainable market access for its members. As a leading agricultural organization, it has championed Fair Trade practices across Colombia and trained the next generation of farmers through its FCC Rural School.

FCC has been a Root Capital client since 2009. Most recently, it participated in RC's local currency pilot program. Under this initiative, Root Capital began lending to select clients in Colombian pesos, while assuming the foreign exchange loss. Local currency loans allow organizations such as FCC to further access local markets. In just one year, this new product helped FCC increase its sales by 80%.

Learning from Local Currency and Local Value Chain Programs

In 2025, Root Capital continued piloting local currency lending in Colombia and local currency combined with local value chain (LVC) lending in Ghana. In Colombia, we aimed to bring impact further down-market by focusing on coffee companies selling locally; but market volatility and high foreign exchange losses led us to pause this program. Similarly, while our work in Ghana provided extensive capacity building and financing to LVC agri-SMEs producing staple food crops like sorghum, cassava, and maize, our LVC lending faced major hurdles. LVC lending in Ghana proved to be significantly more costly, carry higher operational risks, and require greater provisioning expenses, the combination of which resulted in multiple loan write-offs.

These challenges, along with the emergence of an ecosystem of local financiers better positioned meet agri-SME needs around local currency and local value chains, prompted Root Capital to pivot its approach in the coming year: rather than continue to originate local currency loans, we are investing in a capital mobilization strategy that connects businesses outside our core strategic focus with local financial institution partners.

Progress Toward 2025 Goals

Progress through 2025	*2025 goal*
196 Lending Clients Reached	194 Lending Clients Reached
90% Loans commercial lender would not make	75% Loans commercial lender would not make
35% Lending Clients gaining access to other sources of financing	25% Lending Clients gaining access to other sources of financing
69% clients using digital data for business operations *	73% clients using digital data for business operations
2405 Training Days delivered	2051 Training days delivered

* As a result of US government funding cuts in 2025, many of our advisory services lost financing, leading to the attendant gap in goal achievement.



Talent Partnership Apprentices, Purity and Jeremiah. Jumbo Nuts, Embu, Kenya.
Credit: Adam Finch/Root Capital

Climate Action



Gladys Perea and Magno Santillán, coffee producers and members of the Valle Verde Producers' Association, at their farm. Rodríguez de Mendoza Province, Amazonas Region, Peru.
Credit: Adrian Portugal/ Root Capital

$2.37M
in climate finance

56%
of lending clients were Climate Action Leaders

446,000
hectares sustainably managed

Climate change has made farming, an already risky business, even more challenging with inconsistent precipitation, intensifying storms, higher temperatures, and degraded soils. Root Capital clients are facing these issues firsthand, with many reporting crop losses of up to 25%. Models predict an acceleration of losses in the coming decades, making climate change the biggest threat to smallholder prosperity.

Ninety-five percent of Root Capital clients report experiencing climate shocks in recent years: heat and intense rains globally as well as additional challenges locally, including mudslides and drought in East Africa, South America, and Indonesia, and surging pest pressures in Mexico and Central America.

In 2020, Root Capital launched its Climate Resilience Roadmap to help agri-SGBs lead the transition toward more regenerative and resilient agrifood systems. In 2025--the final year of our Roadmap--we continued to deliver targeted finance and advisory services that empower agricultural enterprises to invest in long-term resilience on the farm, in their operations, and across entire landscapes.

2025 Outcomes

Climate Action Leaders - organizations that made substantial contributions to reforestation and other climate-friendly practices[1]-- **made up 56% of lending clients.** Root Capital supported farmers who maintained sustainable management of 446,000 hectares.

Root Capital broke its record for climate finance disbursements, disbursing $2.37M in climate finance (loans and grants) across 22 clients. Most funds went directly to farmers to support investments in climate-resilient, nature-positive agricultural practices via internal credit funds.

We provided:

A climate loan to Comon Yaj Noptic, a coffee cooperative in Mexico, to finance two initiatives that prioritized building **Resilient Soil**, through infrastructure to create their own organic fertilizer and payment for manual weed control, to avoid the use of damaging herbicides.

A climate resilience grant to Kihande, a cacao cooperative in the Democratic Republic of Congo, so that it could invest in more **Resilient Crops**. Kihande established two community nurseries that produce climate-resilient cocoa seedlings and shade tree seedlings for coop members' agroforestry farms.

A climate loan to Rubanga Cooperative Society Limited, a coffee cooperative in Uganda, for its efforts as a **Resilient Business**. This loan helped finance the construction of two solar dryers to mechanize the drying process, which in turn helps Rubanga access specialty coffee markets and reduce post-harvest losses that result from weather volatility.

Root Capital also published an evaluation that confirms the strategic importance of farm level climate finance. We evaluated business and farmer resilience across 30 businesses in six countries that were candidates for climate loans. The evaluation found that businesses receiving **climate loans increased their climate resilience by 22%**, as compared to businesses without loans. **Farmers affiliated with these businesses showed a 7% increase in climate resilience** as compared to farmers in the control group. The evidence demonstrates that climate finance can strengthen resilience by addressing one of the primary barriers to adaptation: access to capital.

Our Climate Action team also worked closely with businesses and farmers to expand our ACRA services, providing **133 businesses with Agronomic & Climate Resilience Advisory (ACRA) in 2025**. ACRA provides a holistic response to clients' climate needs by identifying risks and vulnerabilities, providing tools for data collection and management, and developing adaptation plans to increase climate resilience.



Amazonas Region, Peru.
Credit: Adrian Portugal/Root Capital

[1] Beginning in 2026, the term Climate Action Leaders will be replaced with Regenerative Businesses and Regenerative Leaders. Regenerative Businesses are defined as agricultural enterprises that implement practices across the listed four key outcomes: prosperous and resilient livelihoods for farmers and employees, protected and enhanced biodiversity, improved soil and water health, and reduced greenhouse gas emissions. Regenerative Leaders are defined as agricultural enterprises that not only meet the requirements of a Regenerative Business, but they also disseminate these practices. Specifically, these agri-businesses demonstrate that at least one core practice per outcome reaches more than 50% of producers, employees, or hectares (as applicable).

To meet the changing needs of our clients, we also piloted the following programs in 2025:

Farm Transformation Partnerships

Through Farm Transformation Partnerships, Root Capital connects agri-SMEs and farmers to ecosystem actors that provide cost-effective climate solutions and technical assistance. By co-funding field trials and building business cases for regenerative agriculture, these partnerships aim to scale inclusive service delivery and unlock deeper climate investments.

We continued our collaboration with Sistema.bio and HomeBiogas to connect clients and farmers - via resilience grants to agri-SMEs - to biodigesters in Kenya and Uganda. Biodigesters are an eco-friendly technology that transforms raw livestock manure into clean, renewable biogas for cooking, and a nutrient-rich biofertilizer that improves crop yields and soil health. Thanks to the biodigesters purchased by this project, families have seen a 60% reduction in monthly fuel costs and saved two hours a day on average, time previously spent sourcing firewood.

In 2025, Root Capital expanded Farm Transformation Partnerships by launching collaborations to connect clients and farmers in Kenya and Uganda to promising climate solutions, including organic fertilizer and treadle pump irrigation pumps. Collaborations with Regen Organics and KickStart included field trials to provide local data on the business case to build demand for solution uptake and involved 12 clients and 100 farmers in East Africa.

European Union Deforestation Regulation Advisory

As part of our ACRA advisory, Root Capital piloted new services to help clients adapt to the European Union Deforestation Regulation (EUDR), a regulation that requires proof that certain crops (cattle, cocoa, coffee, oil palm, rubber, soya, and wood) were not grown on recently deforested land. Root Capital's EUDR advisory service is designed to help agri-SMEs with the technology to gather and apply raw farmer data for use in managing deforestation risk. Proving EUDR compliance will be essential to access international markets and ensure that SMEs and producers are not excluded from evolving sustainable supply chain demands, with the cost of compliance likely to fall on smallholder farmers.

Root Capital's Digital Business Intelligence (DBI) advisors have also been critical to implementing our EUDR pilot. Throughout 2025, our DBI and ACRA teams provided support with geolocation data collection, data cleaning and preparation, access to the Satelligence platform, interpretation of deforestation results, and mitigation planning to address identified risks. Our EUDR advisory enables clients to collect geospatial information for 100% of their member-suppliers and to independently and proactively manage, format, and transmit required data to their buyers.

Through this support, agri-SMEs can better interpret farmer data, assess their capacity to sell to EU clients, and determine the necessary steps to take with buyers, farmers, or field teams. Of the approximately 25 clients globally participating in our pilot EUDR service, 14 were able to map all of their farmers and present compliance data to buyers in 2025.



Talent Professional Program apprentice, Ishmael, sprays organic fertilizer on macadamia trees. This organic fertilizer is possible through Resilience Grants and a Farm Transformation Partnership with Sistema.bio. Sagana Nuts Cooperative, Embu, Kenya. Credit: Adam Finch/Root Capital

Client Spotlight
EUDR & Asociación Chajulense in Guatemala

As global regulations increasingly shape access to high-value markets, Root Capital is working closely with clients to ensure they are equipped to comply with the European Union Deforestation Regulation (EUDR). One such client is Asociación Chajulense, a long-standing coffee cooperative in Guatemala's Western Highlands. The cooperative has been a Root Capital lending client since 2006 and an advisory client since 2012.

For smallholder farmers like those represented by Asociación Chajulense, the EUDR presents both a challenge and an opportunity. While intended to promote more sustainable supply chains, the regulation's technical demands—such as digital plot mapping and evidence of deforestation-free sourcing—can be difficult for smallholders to meet. Without access to reliable geospatial data and support interpreting it, many risk being excluded from global markets entirely.

Recognizing this risk, Root Capital partnered with Satelligence in 2023 to support a more inclusive approach. Satelligence, a nature-tech company that uses satellite-powered geo-data to deliver real-time insights into agricultural supply chains, brings cutting-edge tools to the table. Root Capital complements this with hands-on support: providing free access to satellite monitoring, training on geospatial data collection, and tailored coaching from agronomic experts to help enterprises assess and respond to deforestation risks. Crucially, our model ensures that clients retain ownership of their data and are equipped to use it to make strategic decisions.



Female farmers and cooperative members, Chajulense Cooperative, Chajul, Guatemala
Credit: Adam Finch/Root Capital

Asociación Chajulense will soon fully integrate these tools into their operations, using interactive dashboards and visualizations to improve the accuracy and quality of their geospatial, data collection efforts. Once operationalized the business will be able to prove compliance for regulations like EUDR, ensuring market access.

"With this tool for data monitoring and quality control, we can pre-identify [areas] that might be at risk of decertification," explains Roderico Galindo García, Asociación Chajulense's Technical Lead. "It's a huge help, as this tool also lets us compare reported land area from producers with the calculated area based on polygons. It's improved our precision and confidence in the data."

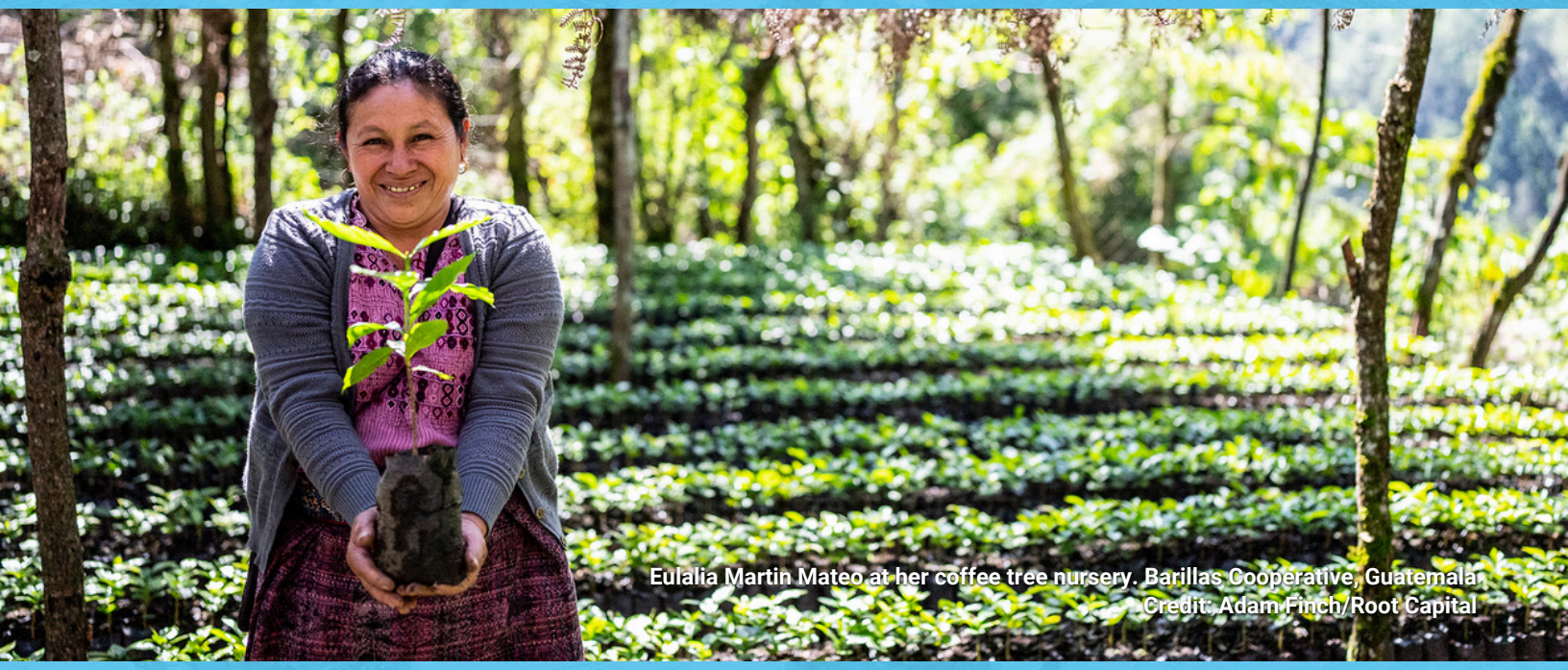
This work builds on a longstanding relationship between Root Capital and Asociación Chajulense—one that has centered on shared goals of transparency, farmer well-being, and market access. It also reflects the power of advisory services to address both risk and opportunity in a changing global landscape.

READ: EUDR Case Study
Root Capital and Satelligence published a case study investigating how our collaboration enables small-scale farmers to prove regulatory compliance so that they are not inadvertently excluded from global markets due to a lack of resources.

2025 Climate Action Goals

Progress through 2025	*2025 goal*
133 Businesses receiving ACRA training	**110 Businesses receiving ACRA training**
23 businesses receiving climate action loans or climate resilience grants	**22 businesses receiving climate action loans or climate resilience grants**

Women in Agriculture



Eulalia Martin Mateo at her coffee tree nursery. Barillas Cooperative, Guatemala
Credit: Adam Finch/Root Capital

70%

of lending clients were women-led and/or women-inclusive businesses

$112.5M

disbursed to 135 women-led and/or women-inclusive businesses

313 Participants

were reached through Gender Equity Advisory services

Women's inclusion is critical in agriculture finance. Despite the fact that women comprise a significant percentage of farm laborers - more than 50% of agricultural workers in many countries - very few are borrowers. Root Capital launched our Women in Agriculture (WAI) strategic pillar in 2012 in order to close gender gaps in agriculture and help women access the resources they need to sustain their livelihoods.

In addition to financing, we also provide Gender Equity Advisory (GEA), which uses our Gender Gaps Diagnostic tool to provide tailored, technical assistance aimed at closing gender gaps that prevent women from being fully integrated into businesses and systems. GEA clients work in partnership with Root Capital advisors to create Gender Equity Action Plans for their businesses.

2025 Outcomes

Despite changing global policies that constrained funds to gender-related programming, Root Capital continued its work to support women in agriculture. In 2025, we disbursed over **$112.5M to 135 women-led and/or women-inclusive businesses.** Over **70% of lending clients in 2025 were women-led and/ or women-inclusive businesses.**[2]

Our advisory services reached 27 clients and trained 313 participants, 50% of whom were women. With these clients, we helped develop 44 Gender Equity Action Plans. We also hosted a GEA and Digital Business Intelligence workshop in Rwanda, which offered the opportunity to bring together women across agri-SMEs working in IT to share learnings and challenges.

In an effort to increase the reach of advisory services, we also explored hybrid and virtual advisory pilots.



Beatrice Musabyimana sorting coffee beans. Kopakama Cooperative, Rwanda
Credit: Adam Finch/Root Capital

Hybrid and Virtual Advisory Pilots

Our GEA services piloted a hybrid form of advisory in Mexico. Through a partnership with ProMujer (a leading women's development organization in Latin America), Root Capital provided a virtual course to 85 farmers on basic entrepreneurial skills. Participants included both men and women to ensure a greater sense of partnership in making key business decisions. This partnership highlighted the importance of hybrid learning and of engaging farmers in person first to help them feel comfortable with technology.

Root Capital also piloted Root and Grow, our virtual blended learning platform that supports asynchronous and synchronous learning in group and personalized formats. The aim of Root and Grow is to provide efficient and scalable advisory support to women leaders within and beyond Root Capital's portfolio. Built on the recognition that in-person events may be more difficult for women to attend, the aim is to provide women with an alternate channel for learning and growth that affords them flexibility to complete at their own pace via group and 1:1 sessions. Through this platform, we delivered a virtual course for WAI related to certification and women's inclusion. Clients from 13 countries across Latin America participated.

Additionally, across all of our advisory services, **34% of all training participants were women**. Although this is slightly lower than in 2024, we are proud of this achievement as we move toward integrating women's inclusion across all of our services.

Our WAI impact area has several programs and financial products that serve the specific needs of our female clients and the female farmers they represent.

[2] Through 2025, we referred to women-led and women-inclusive businesses as gender-led and gender-inclusive businesses, respectively. Starting in 2026, we have modified these names as we have expanded their definition. We have expanded 'women inclusive business' to include a requirement for a women inclusive policies or programs, in alignment with the 2X Challenge Criteria. Investment decisions must now consider whether businesses provide products or services that enhance the wellbeing of the women reached.

Women's Council Initiative

Launched in 2023, Root Capital's Women's Councils provide a platform for women leaders to explore key issues, such as climate change, access to finance, and gender barriers for women farmers and employees. The councils allow the space for women entrepreneurs to share experiences, co-create innovative solutions to shared challenges, and build strategic plans for women's empowerment.

In 2025, we brought five members of the Council to the Women Powered Coffee Summit in Chiapas, ensuring their voices were represented in this global gathering. Nora Nucamendi of Café Capitán in Chiapas, Mexico, was one of the council members at the event.

> "It was truly gratifying for me to participate in such an important event, where I witnessed the leadership of many women who, from wherever they are and under whatever circumstances they face, have found strength and shown that together we can achieve so much." She added, "I must recognize Root Capital's work in inviting us to be part of this summit and in its thoughtful inclusion of gender equity as a pillar for organizational development."
>
> **Nora Nucamendi of Café Capitán in Chiapas, Mexico**

The Social Impact Incentives SIINC Model

The Social Impact Incentives (SIINC)-inspired model is an outcomes-based funding instrument that rewards verified social impact. An invaluable tool that enables Root Capital to go where other financiers will not, it provides critical capital to early-stage gender-inclusive and/or women-led businesses that face significant barriers to traditional financing.

In 2025, Root Capital made four high additionality loans to four new-to-Root Capital businesses, totalling $546,288.

The loans supported women entrepreneurs who lead gender-inclusive businesses in Honduras, Colombia, and Ghana, impacting over 5,500 farmers and employees, 89% of whom were women. This capital, paired with advisory support, has helped the businesses strengthen and generate substantially more revenue than the initial loan amounts alone,. enabling clients to purchase and sell entire harvests and ensuring timely farmer payments. High-additionality loans transform initial investments into significantly larger economic benefits for entire farming communities.



Carmen, AMPROCAL, Honduras
Credit: Luis García/Root Capital

WATCH: With Our Women's Hands
A short documentary

Carmen is a coffee farmer in Honduras and member of AMPROCAL, an all-women cooperative supported by Root Capital. Carmen has had to navigate the mounting environmental pressures threatening her livelihood, all while working to secure a future in farming for her family.

Her story is told in With Our Women's Hands, a short documentary by filmmaker Asael Talavera, produced as part of the Solutions Storytelling Project — an initiative of the Video Consortium supported by the Skoll Foundation. Root Capital was selected to take part in 2024, and the finished film premiered in 2025 with a screening in Honduras, where audiences met Carmen in person. It has since been selected for several film festivals.

Savings and Credit Cooperative Organizations

Launched in 2021, Root Capital's Advisory for Savings and Credit Cooperative Organizations (SACCOs) addresses the finance gap for women in agriculture. SACCOs are internal credit funds run by an agri-SME for their employees or farmer suppliers. Root Capital invests strategically in these mechanisms to promote financial inclusion at the farmer level, ensure access to critical inputs, and support climate resilient solutions.

Since 2021, Root Capital has expanded its SACCO pilot from Kenyan macadamia clients to coffee clients in Rwanda and Uganda. Partnering with regional specialist Blue League, we delivered diagnostic-led institutional training to nine cooperatives. The interventions targeted systemic supply- and demand-side barriers (such as weak governance, manual operations, and irregular farmer cash flows) to design youth- and gender-inclusive financial products with tailored loan terms.

Following the Blue League interventions, Root Capital provided two $10,000 seed funding grants to two of the coffee cooperatives in Uganda. The SACCOs are able to use this seed funding to pay upfront for pump systems provided through a partnership with KickStart International. Backed by a five-year warranty, these affordable irrigation systems will protect farmers against drought and improve crop yields.

The project aims to equip 80 farmers (40 per cooperative) and validates SACCOs as viable conduits for climate-adaptation financing.

In 2025, we also completed the second impact evaluation of our SACCO pilot advisory program. Building on a data-limited 2023 Kenyan study, Root Capital's Monitoring, Evaluation, and Learning (MEL) team implemented a rigorous baseline-to-endline impact study in Uganda throughout 2024–2025. Blending quantitative data with qualitative insights from client interactions, **the study confirms that the SACCO Development Program successfully expands credit and savings access for rural communities.**



Laurence Nyiracumi participates in her cooperative-led SACCO, Maraba Cooperative, Rwanda
Credit: Adam Finch/ Root Capital

A New Partnership Focused on Care

In 2025, in partnership with KORE Global, Root Capital launched a Care Pilot program across three cooperatives in Costa Rica. During harvest season, when workloads peak, many farmers—especially women—struggle to find safe, reliable childcare. Care solutions are particularly important for women who are seasonal workers and need to travel with their children. The goal of this pilot is to test the financial and social ROI of employer-sponsored care solutions like daycare, schooling and development centers that operate during harvest seasons. This pilot will hopefully generate the evidence required to embed care financing directly into agricultural lenders' standard credit products.

Gender Equity Grants

To accelerate the implementation of gender action, Root Capital offers Gender Equity Grants (GEGs) to agricultural enterprises to use for a variety of purposes, including training women in specialized areas (e.g. machinery use), developing targeted financial products, and establishing plant nurseries to help women farmers diversify income sources outside of the harvest season.

In 2025, Root Capital provided $28,000 in Gender Equity Grants to launch two client-driven inclusion initiatives in Nicaragua and Guatemala.

Client Spotlight

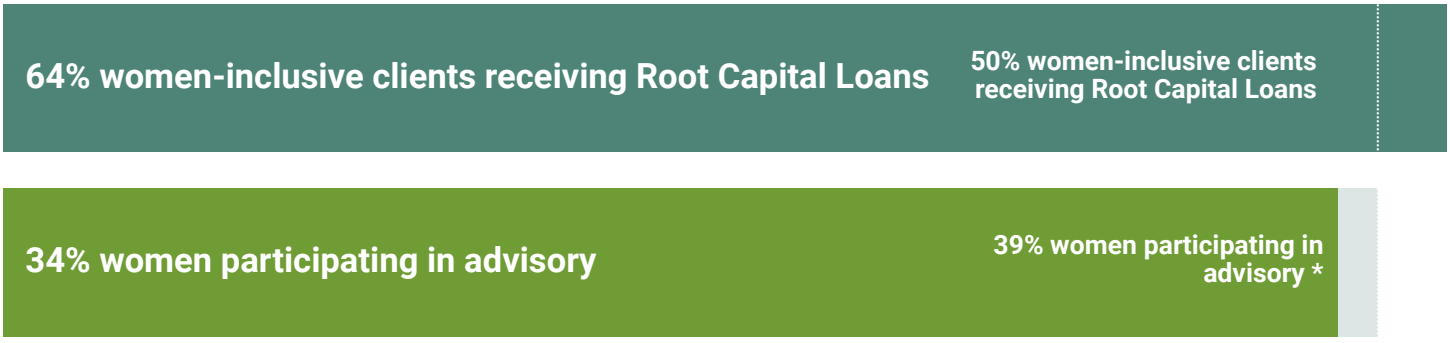
Gender Lens Investing & Kihande, Democratic Republic of Congo

Kihande is a woman-led, women-inclusive cocoa enterprise northeast of the city of Beni, DRC. The business is named after a farmer who was among the first in his village to plant perennial crops, including cocoa and coffee. The farmer's youngest daughter, Kavungho Kihande Jeannine, immortalized her father's vision after his death by offering local farmers cocoa seeds to cultivate. Today, she leads Kihande, an enterprise with 46 employees (including 20 women). Last year, Kihande generated over $2.5M in sales and $1.7M in payments to its producers. Its cocoa products are organic certified and, as of July 2025, the enterprise acquired Rainforest Alliance certification, which commands higher prices and puts more income into farmers' hands.

Root Capital has supported the enterprises' growth for the past three years through progressively larger seasonal working capital loans. In 2025, having established its credit worthiness, Kihande finally was able to access local bank financing. Yet the terms quoted included a significantly higher interest rate and stringent collateral requirements. The enterprise opted to stay with Root Capital for financing, not only for the more favorable loan terms, but for the tailored advisory services, which they view as instrumental to their operational and strategic growth.

2025 Women in Agriculture Goals

Progress through 2025 ***2025 goal***



* This gap in goals is explained by the termination of Root Capital's USAID funding in Honduras and Indonesia.

Next Generation Jobs



Young professional, Resilience Linet, packages macadamia nuts. Sagana Nuts, Embu County, Kenya
Credit: Adam Finch/Root Capital

50%
of all advisory participants were young adults

53
organizations received training on youth inclusion

12
Talent Partnerships

The average global age of a farmer is more than 55 years old (World Economic Forum). Between the instability of farming livelihoods and the allure of opportunities in urban settings, it's growing more difficult for young talent to commit to a career in agriculture. Since 2017, we've connected young apprentices to agri-SMEs through our Talent Partnerships and, since 2018, provided Resilience Grants that provide catalytic funding to organizations dedicated to the next generation of farmers. In 2021, Root Capital made Next Generation Jobs one of our strategic pillars, reflecting our commitment to tackling the specific challenges that young people face in agriculture.

According to our Theory of Change, investing in young people not only sustains agricultural enterprises, but helps drive adaptation and modernization, securing our food systems against climate related challenges.

For almost a decade, this program has assisted businesses to prioritize the next generation of agricultural leaders. US government funding cuts in early 2025 meant that our capacity was much lower than originally planned.

2025 Outcomes

In 2025, Root Capital facilitated **12 Talent Partnerships** connecting 12 young apprentices to agricultural businesses.

We trained 53 organizations on youth-related topics, including how to prioritize youth across leadership development, governance, and HR management.

Young adults represented nearly 50% of all participants in 2025, a figure we are proud to have maintained over the past five years, and an indication of our ongoing commitment to preparing youth for careers in agriculture.

Talent Partnerships Program

Root Capital's Talent Partnerships Program is a one-year program in which young graduates are placed with our agri-SME clients to fill a specific business capacity gap, accompanied by training from Root Capital advisors. Launched in 2017, TPP prioritizes technical training and capacity building. During a sponsored year-long apprenticeship, apprentices receive mentorship from a Root Capital advisor and hands-on work experience at an agri-SME.

In 2025, we augmented technical training with development in the soft skills that are critical to securing future work and to career success: communication, public speaking, personal branding, leadership, and more. Given the success of the past year, this soft skills training is now fully incorporated into the Talent Partnerships program and has proven easy and affordable to scale.

> After completing this internship, my plan is to run a coffee business, both locally and for export. Maybe one day I can create jobs for young people/other people at the age of 30 or even before I am 30 years old. The impact from learning as an apprentice inspired me…I want to plant two hectares of coffee on my land using the knowledge that [Root Capital] has taught me. Knowledge about how to adapt and mitigate climate change is very necessary so that Gayo coffee will not be wiped out by the changes and diseases it brings.
>
> **Apprentice, Indonesia**



Farmers sorting coffee beans. Montaña Verde Cooperative, Honduras.
Credit: Karina Chamorro/Root Capital

Client Spotlight

Talent Partnerships Program & Ines Ame Cyurineza Ndengejefo in Rwanda

Ines Ame Cyurineza Ndengejeho, a 26-year-old female, served as a Digital Business Intelligence (DBI) apprentice at Mibirizi Coffee, in Rwanda, through Root Capital's Talent Partnership Program.



Throughout her apprenticeship, Ines received the support of DBI advisors, who equipped her with valuable skills in digital business management, mobile tools for information gathering, data analysis, commercial monitoring dashboards, and creating insightful reports. With this knowledge, she helped Mibirizi Coffee collect and organize crucial data, which led to the creation of a collection dashboard that the company now uses to make informed business decisions.

Thanks to her outstanding performance, Ines was hired by Mibirizi Coffee after her one-year apprenticeship. She continued to support the organization in this area, taking on the role of Administrative Assistant. After a year of full-time employment at Mibirizi, Ines achieved another significant milestone in her career by joining the Bank of Africa as an E-Business Reconciliation Officer.

Ines has expressed deep gratitude to Root Capital for initiating the Talent Partnership Program, which gave her the opportunity to learn, apply her skills, and gain hands-on experience under the guidance of a host organization and support from Root Capital advisors. Ines' experience in the Talent Partnership Program has been instrumental in helping her achieve her professional goals.

2025 Next Generation Jobs Goals

Progress through 2025	*2025 goal*
12 Talent Partnerships Program Launched	**8 Talent Partnerships Program Launched**
57% Talent Partnership Program participants gaining full time, long-term employment	**80% Talent Partnership Program participants gaining full time, long-term employment ***

*This gap is explained by the short timeline, only 6 months, in which we measure this indicator, along with macro job market trends across program countries. Though some apprentices search for full time employment for longer than 6 months, they find TPP to be invaluable. On average, apprentices rate their experience a 9 out of 10.

Strategic Impact

Our 2021-2025 Strategy Goals

2025 marked the close of Root Capital's previous strategy. Over the past five years, we focused on growing our credit and capacity building services, cultivating holistic and measurable enterprise resilience, innovating new products and services, and amplifying proven blueprints for bankability and resilience.

Over the course of this strategy, Root Capital and our clients faced unprecedented hurdles: continued recovery from a global pandemic, the upheavals of development financing, devastating and intensifying storms, and vast fluctuations in commodity markets.

Root Capital prioritizes flexibility to adjust to dynamic external conditions in how we reach our stated strategic vision. The shifting environment of the past five years prompted us to revise several of our original strategy goals.



Coffee fruit. Valle Verde Cooperative
Credit: Adrian Portugal/Root Capital

Original Strategy Goals

258 Businesses receiving ACRA	125 cumulatively '20-'25
64% Women-inclusive clients receiving Root Capital loans	50% annually
34% Women-led clients receiving Root Capital loans	25% annually
34% Women participating in advisory	30% annually
90% Of loans commercial lender would not have made	Sustain 75%+ annually
35% Of lending clients gaining access to other sources of financing	Sustain 25%+ cumulatively all-time
23 businesses receiving climate action loans or climate resilience grants	26 annually

Target missed due to Indonesia cyclone delaying disbursement

Adjusted Strategy Goals





Macadamia nut tree being planted. Jumbo Nuts. Embu, Kenya
Credit: Adam Finch/Root Capital

Introducing Root Regen 2035: Growing Smallholder Prosperity, Inclusion, and Climate Resilience in the Regenerative Decade

Bridging the climate finance gap has emerged as the newest frontier and highest priority of our decades-long efforts to increase the prosperity and resilience of smallholder farming communities globally. Growing smallholder prosperity in the context of a changing climate will require scaling our efforts and facilitating broadscale global adoption of regenerative agriculture.

Regenerative agriculture is a holistic approach that restores environmental health, reduces carbon emissions, builds resilience to climate shocks, and creates more stable, diversified income streams for smallholder farming families. Regenerative practices such as agroforestry, organic soil management, and crop diversification go beyond helping farmers survive the climate crisis to help them thrive by improving yields, reducing input costs, and providing access to premium markets that reward sustainable practices.

Achieving the adoption of regenerative agriculture at scale requires partnering with tightly knit local farmer networks capable of reaching, influencing, and accompanying millions of farmers efficiently and effectively over the long term. Some of the best examples of these farmer networks are the agri-SMEs that collectively organize hundreds to thousands of farmers.

While our 25-year track record has demonstrated that agri-SMEs are the right vehicle to deliver smallholder prosperity, the intensifying climate crisis has revealed a gap our current model was not built to fill: the urgent need for climate-specific financing that reaches farmers directly and at scale. **Root Regen 2035 is our vision and response to this gap. Designed to meet a moment that demands more of our sector, it builds on our history to expand what Root Capital does, how we do it, and with whom.**

Over the next three years, we will center our work around the following pillars:

Advance - Advance farmer prosperity & resilience through a global platform of regenerative agricultural businesses

Create - Create new products, services and partnerships to build climate-resilient communities and businesses

Transform - Transform the agrifinance market and accelerate transition to regenerative food systems through collective action to fill the smallholder finance gap

By 2035, we will help the sector realize a new reality for smallholder communities, where:

150M
people in smallholder communities are lifted out of poverty

$15B
in climate finance flows to smallholder agriculture annually

60M
hectares are under regenerative management

These figures are ambitious by design. They reflect the scale of the challenge and of Root Capital's commitment to drive systemic change through our own efforts, as well as by leading and inspiring others to support locally-led solutions where they are needed most.






With Thanks To Our 2025 Donors

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Coffee fruit. Maraba Cooperative, Rwanda.
Credit: Adam Finch/Root Capital

Acronyms

Agri-SME	agricultural small- and medium-sized enterprises
ACRA	Agronomic and Climate Resilience Advisory
BMA	Business Management Advisory
DBI	Digital Business Intelligence Advisory
EUDR	European Union Deforestation Regulation
GEA	Gender Equity Advisory
GEGs	Gender Equity Grants
LVCs	Local Value Chains
MEL	Monitoring, Evaluation, and Learning
SACCOs	Savings and Credit Cooperative Organizations
SIINC	Social Impact Incentives
TPP	Talent Partnerships Program
WAI	Women in Agriculture



Coffee Farm. Kopakaki Cooperative, Karongi, Rwanda
Credit: Adam Finch/Root Capital

Root Capital is an impact investor that provides financing and business training to agricultural enterprises in Africa, Asia, and Latin America. As these businesses succeed and scale, they become engines of impact for local communities, raising incomes, creating jobs, expanding opportunities for women and young people, preserving nature, and building rural prosperity. To learn more, contact us at info@rootcapital.org.

Root Capital