ISSN: 2393-8048
International Advance Journal of Engineering, Science and Management (IAJESM)
Multidisciplinary, Multilingual, Indexed, Double Blind, Open Access, Peer-Reviewed, Refereed-International Journal.
SJIF Impact Factor =8.152, January-June 2025, Submitted in June 2025

# Benchmarking ESG Performance in Agribusiness through Sustainability-Linked Financing

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## Abstract

As the global financial system increasingly aligns with sustainability objectives, Sustainability-Linked Loans have emerged as a key financing mechanism to incentivize improved ESG performance in the private sector. This qualitative case study examines the implementation and structuring of SLLs in the agricultural sector through an in-depth analysis of three leading agribusiness firms: ETG, ECOM Agro-Industrial, and Olam Group. Utilizing document analysis and secondary data, the study explores the selection and design of Key Performance Indicators, the application of the SMART framework, and the incorporation of Sustainability Performance Targets within loan agreements. The research highlights varying approaches to aligning financial incentives with sustainability outcomes, offering valuable insights into how SLLs are tailored to the unique ESG challenges and opportunities within agriculture. Additionally, the study includes an assessment of interest rate reduction mechanisms triggered by KPI achievement, demonstrating how these structures generate measurable financial benefits, particularly in terms of interest savings for participating firms. By identifying common themes, innovative practices, and strategic approaches to KPI development, the study contributes to a deeper understanding of how sustainability-linked financing is operationalized in high-impact sectors. It offers practical implications for financial institutions, corporates, and sustainability professionals seeking to design effective, context-specific SLL frameworks.

**Keywords – Environmental, Social and Governance Performance, Green loans, Sustainable Finance, Sustainability linked loans, KPI linked loans**

## 1. Introduction

As the Earth faces increasing climate threats, sustainable finance plays a crucial role by providing financial support to mitigate and adapt to these challenges. Sustainable finance incorporates ESG factors into economic and project-related decisions. It primarily funds projects transitioning to sustainability or adopting environmentally friendly practices. The main goal is to combat climate change by offering financial incentives tied to ESG principles. Key instruments include green bonds, blue bonds, social loans, sustainability-linked bonds, KPI-linked loans, and sustainability-linked loans. Among these, sustainability-linked loans are rapidly growing, with the market expanding from $49 billion in 2018 to over $350 billion in 2021, a 6.14% increase over three years [Harvard Extension School. (n.d.), Vinod Kothari Consultants. (n.d.)].

SLLs offer borrowers the opportunity to benefit from reduced interest rates when they meet predefined sustainability performance targets. These loans support flexible investment across sectors and promote accountability by linking financial conditions to measurable ESG outcomes. Available to all types of borrowers, SLLs function as a transitional tool, helping organizations progressively enhance their sustainability performance [Loan Syndications and Trading Association (LSTA). (2023)]. SLLs benefit organizations by strengthening relationships with stakeholders and enhancing reputation and credibility. They help ensure alignment with regulatory requirements while supporting long-term sustainability, growth, and profitability. Additionally, SLLs encourage the involvement of external stakeholders in shaping ESG strategies and objectives, and do not require a minimum level of ESG performance to qualify [Vinod Kothari Consultants. (n.d.)].

SLLs can be structured as bilateral or syndicated loans, depending on the borrower's need. Bilateral loans involve a single lender, making them simpler and faster, suitable for smaller amounts. Syndicated loans involve multiple lenders, adding complexity but spreading risk and financial burden, especially for large funding needs. This structure ensures that if one lender

faces issues, the overall funding remains secure.[4] Central to all SLLs are SPTs, which are evaluated through key KPIs that measure a borrower's sustainability progress. These KPIs focus on sustainability and guide organizations in setting and achieving targets to secure better interest rates. SPTs align financial incentives with environmental and social goals, establish measurable benchmarks, and ensure transparency in reporting. Achieving SPTs brings rewards, while failure may result in penalties or funding cessation. However, no globally accepted method for setting SPTs currently exists.[3] The Loan Market Association's SLLPs guide the development of these instruments, ensuring transparency, comparability, and effectiveness [Loan Syndications and Trading Association (LSTA). (2023)].

The design of SLLs typically follows the five core components of the SLLPs, which provide an essential framework to draft SLL agreements while maintaining necessary flexibility within their structure. Those five core components are selection of KPIs, Calibration of SPTs, Loan Characteristics, Reporting and Verification [Loan Syndications and Trading Association (LSTA). (2023).]. The selection of KPIs ensures they are relevant to the borrower's sustainability strategy and material to the organization, with each KPI having a clear scope, linkage to the strategy, and detailed historical baselines and benchmarks. Calibration of KPIs ensures they are measurable and meaningful, posing a real challenge by benchmarking against past performance, peers, or both. Loan characteristics provide flexibility, defining conditions for changes in measurement methods, targets, or loan extensions under specified terms. Reporting requires borrowers to update lenders on their progress at least annually, with encouragement to publish reports publicly for stakeholder transparency. Verification involves third-party opinions before signing to confirm alignment with the Sustainability-Linked Loan Principles, though re-verification is unnecessary if data is already verified unless there are significant KPI changes [Loan Syndications and Trading Association (LSTA). (2023)].

**2. Literature Review**

Andreas Hoepner et al. (2016), Bert Scholtens et al. (2016), Ioannis Oikonomou et al. (2016) and Michael Schroder et al. (2016) found out that countries with higher sustainability scores, especially in the environmental dimension, generally secure lower bank loan costs. The environmental aspect of sustainability has about twice the impact on loan pricing compared to the social dimension. However, at the firm level, sustainability performance does not significantly influence the interest rates that banks charge on loans.

Jongsub Lee et al. (2021), Junho Oh et al. (2021), Sehoon Kim et al. (2021) and Nitish Kumar et al. (2021) presented that bank with stronger ESG performance tended to lend more to companies facing weaker financial and operational conditions, while banks with lower ESG scores preferred lending to financially stable firms. Lower ESG banks were also more inclined to lend to companies involved in acquisitions or takeovers, often favouring firms with established relationships. During the pandemic, higher ESG banks exhibited more socially responsible lending practices, while lower ESG banks took a more cautious, risk-averse approach.

Christian Pohl et al. (2022), Dirk Schiereck et al. (2022) and Gregor Schuler et al. (2022) examined that SLLs offer borrowers lower initial yields compared to traditional loans, making them financially attractive from the outset. These benefits are particularly pronounced for companies with strong environmental profiles and when the loan is issued by a syndicate of lenders that uphold high environmental standards. Coupled with their flexible structure, SLLs present a compelling financing option for companies aiming to advance sustainable business transformations and tackle the challenges posed by climate change, blending financial efficiency with environmental accountability.

Ozlem Dursun-de Neef et al. (2022), Gergana Tsonkova et al. (2022) and Steven Ongena et al. (2022) found out that firms that issue green loans often see improvements in their environmental performance but tend to overlook social aspects. In contrast, firms issuing

sustainable loans experience overall enhancements in their ESG performance, particularly in environmental and governance areas. While the issuance of sustainable loans signals future improvements in a firm's ESG performance, green loans do not provide a clear indication of such progress.

Alix Auzepy et al. (2023), Christina E. Bannier et al. (2023) and Fabio Martin et al. (2023) found out that despite their growing popularity, SLLs often fall short in driving meaningful corporate sustainability improvements, primarily due to the low quality and limited ambition of the underlying KPIs. Market reactions to SLL issuances are frequently neutral or even negative, reflecting investor scepticism about the true sustainability impact of these instruments. Moreover, SLLs are predominantly issued by large firms with already strong ESG performance, rather than being used as a strategic tool to elevate sustainability standards among lower-performing companies thereby limiting their transformative potential across the broader corporate landscape.

Diana Pop et al. (2023) and Vladimir A. Atanasov et al. (2023) found that SLLs are an innovative form of debt financing that link interest rates to a borrower's performance on ESG metrics. Companies that secured SLL funding have shown greater resilience during the COVID-19 pandemic's liquidity crisis, consistently outperforming comparable firms. By meeting ESG performance targets, these companies not only benefit from favourable financing terms but also enhance their market valuation, demonstrating the tangible value of sustainable business practices.

Adrienn Veit et al. (2024) and Elvira Bocskei et al. (2024) found out that IFRS 9 requires financial assets to be measured at amortized cost if the business model focuses on collecting contractual cash flows and the asset's terms involve only principal and interest payments. Commercial banks prefer this method for its predictability and stability over fair value measurement. However, the structure of SLLs complicates this, as they often trigger fair value measurement. To address this, the International Accounting Standards Board is considering revisions to IFRS 9 to better accommodate SLLs.

## 3. Methodology

### Research Design

This research employs a qualitative and case study methodology to explore how agricultural companies can effectively secure SLLs and select SMART KPIs. The insights gathered will help provide practical guidance for agricultural companies seeking to align financial objectives with sustainable practices.

### Case Selection Criteria

The case studies were chosen for their relevance to agriculture, focusing on companies in farming, processing, or trading within the agri-business value chain. Each has secured SLLs linked to clear ESG indicators and used SMART KPIs to track outcomes like carbon reduction, water use, or supply chain improvements. Only companies with publicly disclosed SLL frameworks, sustainability reports, and financial data were included to ensure transparency.

### Data Collection Methods

Data for this study was primarily collected through secondary research, utilizing publicly available sources such as SLL frameworks and loan agreements outlining sustainability goals, KPIs, and financial terms. It also included annual sustainability and ESG reports, financial disclosures, investor presentations, press releases, and other materials related to the companies' SLL structures and metrics.

### Data Analysis

The data analysis uses a comparative thematic approach, starting with extracting and categorizing KPIs from selected agricultural companies based on SMART criteria. The study identifies common theme KPIs practices that have driven positive outcomes. The findings are

consolidated to propose the selection of diverse, sector-specific innovative SMART KPIs tailored to the agricultural industry, extending beyond pre-defined or conventional indicators.

**Limitations**

The study has several limitations: reliance on secondary data may not fully reflect internal decision-making or all challenges companies face in selecting KPIs for their SLLs. Additionally, some SLL agreements and detailed KPI metrics may be undisclosed, creating potential data gaps, though these are partly addressed by using multiple sources like industry reports and expert interviews. Lastly, the case studies focus on agricultural companies that may not represent the sector's full diversity, particularly small-scale or developing market enterprises, but still provide valuable insights for the broader industry.

## 4. Findings and Discussion

To illustrate how and which KPIs can be selected in Agri sector, three agribusiness firms ETG, ECOM, and Olam were selected. Each has secured significant SLL funding and presents a unique approach to ESG integration.

### 4.1 ETG

ETG is a global enterprise operating across more than 45 countries on six continents, with expertise spanning agricultural inputs, chemicals, logistics, food processing, energy, metals, and supply chain optimization. With a diversified lender base including significant DFI support, the Group is committed to creating meaningful impact for its partners and safeguarding a sustainable future for all stakeholders. ETG advances this commitment through targeted initiatives addressing critical social and environmental challenges such as gender empowerment, deforestation, and the effects of geopolitical unrest, natural disasters, and climate change [ETG. (n.d.). Homepage.].

ETG Group has reached a significant milestone in its financing strategy by closing a USD 115 million Sustainability-Linked Revolving Credit Facility, the Group's first syndicated and sustainability-linked facility. Backed by a consortium of seven financial institutions and structured according to the LMA Sustainability-Linked Loan Principles, this facility includes six KPIs and corresponding SPTs focused on decarbonization, reforestation, farmer extension services, and gender empowerment [ETG. (2022)]. In addition, a related SLL valued at USD 394 million stands out as one of the first of its kind for several reasons [Future-proof agribusiness. (2022)].

### 4.2 ECOM Agro-Industrial

ECOM is a world-leading soft commodity services group specialising in coffee, cocoa, and cotton [Asian Development Bank. (2023, August 10)]. Founded in 1849, ECOM is a global integrated supply chain merchant and processor of agricultural commodities such as cocoa, coffee, and cotton [ECOM. (n.d.)]. ECOM has secured two significant loans from the Asian Development Bank to enhance climate resilience and support smallholder farmers across Asia-Pacific. The first, a $100 million certified social loan, aims to strengthen the coffee value chain by funding climate-resilient practices such as regenerative agriculture, agroforestry, and gender equality initiatives, particularly in Papua New Guinea. It also supports extension services including training, certification, R&D, and sustainability pilot projects. The second, a $60 million loan, was provided during the COVID-19 pandemic to sustain farmer livelihoods in India, Indonesia, PNG, and Vietnam. It covers inventory financing, advance payments, and climate-adaptive extension services, alongside a technical assistance grant for climate-smart farming and financial literacy benefiting around 4,000 farmers, with a focus on gender inclusion [Asian Development Bank. (2023, August 9), Asian Development Bank. (2023, August 10)].

Key KPIs identified in ECOM's initiatives include the adoption of climate-resilient practices; provision of extension services to farmers, including sustainable farming techniques, data solutions, and financial literacy, delivery of technical assistance to enhance farmer capabilities,

promotion of women empowerment within the supply chain and improvement in farmer livelihood and productivity inclusion [Asian Development Bank. (2023, August 9), Asian Development Bank. (2023, August 10)].

**4.3 OLAM Group**

Olam Group is a leading global food and agri-business supplying ingredients, feed, and fibre to a wide range of customers. With sustainability integrated into its core, Olam reorganised in 2020 into three purpose-led entities: ofi, offering sustainable, natural food products across categories like cocoa, coffee, dairy, nuts, and spices; Olam Agri, focused on transforming food, feed, and fibre through global trading and processing; and the Remaining Olam Group, which includes Nupo Ventures, Mindsprint, and Olam Global Holdco. Headquartered in Singapore, Olam is a Fortune Global 500 company and part of the FTSE4Good Index since 2020 [Olam Group. (n.d.). Homepage, Olam Group. (n.d.). Group overview].

Olam Group has secured five major SLLs, reinforcing its commitment to integrating sustainability into its financing strategy. These include Asia's first SLL of US$500 million in 2018, followed by a US$525 million KPI-linked loan in 2019 and a US$250 million facility in 2020 aligned with Olam's core sustainability outcomes. Its food ingredients arm, ofi, further advanced this commitment by securing a US$1,975 million SLL in 2022 and a US$1,750 million SLL in 2023, both comprising multi-year revolving credit facilities and term loans linked to sustainability performance targets [Olam Group. (2021). Asia's first sustainability-linked club loan facility, Olam Group. (2022), Olam Group. (2021), Olam Food Ingredients (ofi). (2023), Olam Food Ingredients (ofi). (2023, August 31)].

KPIs identified across all 5-sustainability linked loan facilities –

1. Prosperous Farmers and Food Systems,
2. Thriving Communities, and
3. Regeneration of the Living World

**4.4 Benchmarking and Comparative Analysis**

A Benchmarking and comparative analysis across the three case studies identified seven common ESG themes, including afforestation, deforestation prevention, carbon sequestration, agroforestry, climate-resilient crops, livelihood improvement, and gender empowerment. KPIs and outcomes were benchmarked accordingly. These categories and indicators serve as critical measures of the environmental and social outcomes embedded within each company's operations.

**Table 1: KPI Category Benchmarking**

| KPI Category | ETG | ECOM | OLAM |
|---|---|---|---|
| **Afforestation & Reforestation** | Landscape Reforestation | | |
| **Deforestation Prevention** | Deforestation-Free Supply Chains | | Sustainable forest management |
| **Carbon Sequestration** | Decarbonization | | Reduction in greenhouse gas (GHG) emissions |
| **Agro-forestry Practices** | | Sustainable Farming Practices | Carbon sequestration through agroforestry, Sustainable agriculture practices |

| | | | |
|---|---|---|---|
| **Climate Resilient Crops** | | Climate Resilience of Coffee Value Chain | Crop yield improvement |
| **Livelihoods & Job creation** | Extension Services to Supply Chain Farmers | Social Impact on Farmers, Financial Inclusion & Literacy | Farmer livelihoods & training |
| **Women & Youth Empowerment** | Gender-Oriented Support and Extension Services to Women Farmers | Gender-Inclusive Practices | Women empowerment |

**Table 2: KPI Indicator Benchmarking**

| KPI Category | ETG | ECOM | OLAM |
|---|---|---|---|
| **Afforestation & Reforestation** | 1) Restored 131-acre site in Ghana<br>2) Cultivated multipurpose tree seedlings for planting on degraded lands. | | |
| **Deforestation Prevention** | Distributed 2,600+ tonnes of LPG to over 6,000 customers, reducing tree cutting for fuel. | | Selective harvesting model |
| **Carbon Sequestration** | 1) Phased out the use of coal in the medium term by switching to biomass<br>2) Investment in new dual-use boilers | Reduction of GHG emissions in the coffee supply chain | 42% reduction in absolute GHG emissions from $5.76M to $3.32M |
| **Agro-forestry Practices** | | 1) Enhanced farmers' climate resilience through sustainable practices, data tools, and financial literacy<br>2) Reduced use of pesticides and chemical fertilizers<br>3) Promoted organic and regenerative agriculture techniques | More than 4 million trees planted across farmer cooperatives. |
| **Climate Resilient Crops** | Training on sustainable farming and improved access to resources | Climate-smart cocoa and coffee farming best practices and financial literacy | Increased yield from 1.13 to 1.28 metric tonnes per hectare through improved farming practices. |

| | | | |
|---|---|---|---|
| **Livelihoods & Job creation** | Training to over 40000 farmers' on how to increase resilience to climate change through techniques | 1)Technical assistance to 4,000 farmers<br>2) Increase in farmers' access to financial services and credit through Village Savings & Loan Associations<br>3)Training programs on financial literacy, savings, and investment | Targeting 20,000 smallholder farmers in sustainable rice farming and reducing CO2 emissions by 90,000 metric tonnes. |
| **Women & Youth Empowerment** | ETG targets 600,000 smallholder farmers by 2027, with 25% women, using savings groups to boost financial decision-making and household well-being. | Empowerment programs promote women's roles in farming cooperatives and enhance financial inclusion for greater decision-making. | Training for 20,000 farmers in climate-smart techniques, with 2,500 women smallholders empowered. |

**Afforestation & Reforestation**

Olam leads this category with a strong emphasis on sustainable forest management, indicating a broader landscape-level approach that integrates forestry into supply chains. ETG contributes with a specific focus on landscape reforestation, suggesting a place-based intervention to restore degraded lands. ECOM does not report direct KPIs under this category, highlighting a potential area for future integration.

**Deforestation Prevention:**

Both ETG and Olam showcase alignment in addressing deforestation through supply chain interventions. ETG targets deforestation-free supply chains, likely via traceability and procurement standards. Olam complements this with sustainable forest management practices, suggesting an internal governance approach alongside supply chain diligence. ECOM is yet to reflect KPIs in this area.

**Carbon Sequestration:**

Olam and ETG both demonstrate ambitions to reduce GHG emissions, with Olam being more comprehensive by explicitly linking agroforestry with carbon sequestration. ETG focuses on decarbonization, implying broader corporate emissions reduction. ECOM does not have defined indicators for carbon sequestration, though its climate-resilient practices may contribute indirectly.

**Agroforestry Practices:**

This is a shared priority for ECOM and Olam. ECOM supports sustainable farming practices through its extension services, while Olam integrates agroforestry into its sustainability strategy, enhancing carbon sinks and farm biodiversity. ETG does not report specific agroforestry KPIs but could benefit from aligning with such regenerative practices.

**Climate Resilient Crops:**

ECOM distinguishes itself with a focused investment in the climate resilience of the coffee value chain, integrating both adaptation and farmer support. Olam follows with broader crop yield improvement strategies linked to resilience. ETG does not specify KPIs in this category, highlighting an opportunity for growth in addressing climate risks at the crop level.

**Livelihoods & Job Creation:**

All three entities prioritize smallholder farmer livelihoods. ETG and ECOM place emphasis on extension services and financial literacy, enhancing farmers' adaptive capacity and

productivity. Olam approaches this from a developmental angle with farmer training and livelihood programs, suggesting a more institutionalized and metrics-driven model.

**Women & Youth Empowerment:**

Each company addresses gender inclusivity differently. ETG provides gender-oriented support services and women-focused extension programs, reflecting an intent to mainstream gender across operations. ECOM emphasizes empowerment through access to resources and decision-making roles. Olam embeds women's empowerment within broader farmer livelihood strategies, showing integration but with less disaggregation in reporting.

This comparative analysis reveals that while all three organizations share a commitment to ESG-linked outcomes, Olam's KPIs are more diversified and integrated, ECOM focuses on value chain-specific resilience, and ETG emphasizes regenerative agriculture and social inclusion at the supply chain level.

**4.5 Innovative KPIs**

Beyond conventional metrics, innovative KPIs is being proposed to reflect human-centered and community-driven priorities. While major players like ETG, ECOM, and OLAM have long focused on operational efficiency and standard ESG goals, there's a growing shift toward innovative KPIs that capture a broader social and environmental impact.

The suggested innovative KPIs highlighted below stand out because they focus on real human and environmental needs. These indicators go beyond simply meeting standard requirements they're about making a meaningful and lasting impact. They represent a shift toward purposeful action, encouraging companies to reflect more deeply on their role in supporting people, communities, and the planet. As the agribusiness industry continues to evolve, these forward-thinking KPIs can help shape a more inclusive and sustainable approach one that not only enhances business performance but also delivers long-term value for society and the environment.

Organizing health camps demonstrates care for community well-being, while supporting education for underprivileged children builds long-term societal value by investing in future generations. Safety initiatives such as training programs and PPE distribution help maintain a secure working environment and reduce operational risks. Environmental efforts focused on water conservation and waste management contribute to sustainability and resource efficiency. And prioritizing disability recruitment showcases a genuine commitment to inclusion and equal opportunity. Collectively, these KPIs represent a shift toward more responsible, human-centered business practices.

**Table 3: Identified innovative KPIs**

| KPI Category | KPI Indicators |
|---|---|
| **Health camps** | Organizing health camps for local communities |
| **Education** | Providing educational Support to Underprivileged Children |
| **Zero fatalities and major environmental incidents** | Safety training programs, PPE kit distribution at group level |
| **Environmental performance** | Water conservation and waste management initiatives |
| **Disability Recruitment** | Recruiting disabled people and providing equal employment opportunity |

**4.6 Interest Rate Analysis**

SLLs offer financial incentives through ESG Margin Ratchets, typically adjusting rates by 5–15 basis points per KPI met. In comparison, traditional leveraged facility margin ratchets generally decrease the margin by 10 to 50 basis points per step [Baker McKenzie. (2021, November)]. It's important to recognize that the ESG Margin Ratchet serves as a mechanism to motivate borrowers to attain and maintain specific ESG standards, especially given that performance is usually assessed on an annual basis in the loan market. Therefore, borrowers

not only stand to benefit from reduced interest rates by achieving their ESG targets but must also remain vigilant in upholding those standards to avoid potential increases in borrowing costs [Baker McKenzie. (2021, November)].

The below table presents an assumed comparison of interest rate calculations for a General Loan versus a SLL, based on quarterly SOFR and a hypothetical set of four KPIs. The General Loan is assumed to bear an interest rate of approximately 8.36%, consisting of a 4% base rate and a 4.36% SOFR component [Federal Reserve Bank of New York. (n.d.), European Central Bank. (n.d.). Loans]. In the SLL scenario, it is assumed that each achieved KPI results in a 0.15% reduction in the interest margin, with a maximum potential reduction of 0.60% for all four KPIs [Baker McKenzie. (2021, November)]. If all KPIs are met, the effective SLL interest rate is projected to be around 7.76% (comprising a 3.40% margin after full KPI achievement plus SOFR), suggesting a potential interest savings of 0.60% compared to the assumed General Loan rate.

**Table 4: Interest rate reduction**

| | |
|---|---|
| Assumed KPI Ratchet | 0.15% |
| Assumed KPIs Numbers | 4 |
| **Total fall in interest rate against all 4 KPIs** | **0.60%** |

**Table 5: Interest Rates Comparison**

| | **Interest rate (Approx.)** | **SOFR (90-days)** | **Total** |
|---|---|---|---|
| **General Loan Interest Rate** | 4% | 4.36% | 8.36% |
| **SLL Interest Rate after achieving all 4 KPIs** | 3.40% | 4.36% | 7.76% |

**4.7 Penalties for Missed Targets**

Under the Sustainability Performance Targets framework, penalties are applied through the ESG Margin Ratchet when a borrower fails to meet agreed sustainability goals. If none of the KPIs met or exceed their corresponding SPTs, a penalty is triggered in the form of a margin increase [Baker McKenzie. (2021, November)]. For instance, if three SPTs are being monitored, each unmet target may result in a 15 basis points increase in the interest rate. This means that failure to meet all four could lead to a cumulative penalty of up to 60 bps. If only one SPT is met, no margin benefit is granted, and the interest rate generally remains unchanged. The ESG Margin Ratchet only offers a reward (i.e., no penalty or potential margin reduction) if the borrower meets or exceeds the minimum required number of SPTs [Baker McKenzie. (2021, November)].

**5. Conclusion**

The growing adoption of SLLs in agribusiness signals a pivotal shift toward integrating financial strategy with

meaningful environmental and social impact. Through an in-depth review of ETG, ECOM, and OLAM, this study has demonstrated how leading firms leverage KPIs not only to meet regulatory and market expectations but also to drive transformative change within their operations and communities. While existing KPI frameworks already reflect important themes like climate resilience, gender empowerment, and deforestation prevention, the introduction of more human-centred and socially innovative indicators such as health camps, education support, workplace safety, environmental stewardship, and inclusive hiring practices suggests a broader, more holistic view of sustainability. These suggested KPIs enrich the current benchmarking landscape by highlighting areas that are often underrepresented in traditional ESG metrics yet are crucial for long-term societal impact. They encourage agribusinesses to look beyond compliance, using SLLs as a tool to advance inclusive growth and shared value creation. As the sector continues to evolve in response to climate, social, and economic pressures, aligning loan structures with both financial and non-financial performance will

become essential. Ultimately, the effective integration of innovative KPIs within SLL frameworks offers a powerful blueprint for shaping a more resilient and equitable future not just for agribusinesses, but for the communities and ecosystems they depend on.

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