



CASE STUDY

# Working Capital Fund: How Venture Capital Can Support a Just Transition

**Working Capital Fund (WCF) is a U.S. based venture capital firm focused on advancing responsible business practices and increasing economic equality for vulnerable workers by transforming supply chains.**

**Established in 2017, WCF invests in tech startups whose solutions can help enable a just transition across value chains. Ed Marcum, Managing Director of WCF, is a Steering Committee member of the People Centered-Climate Action in Private Markets (PCAP) initiative.**

## Climate Pressures and Transition Opportunities

As climate change accelerates, companies across industries are confronting a dual challenge: adapting to intensifying physical risks while navigating a rapidly evolving regulatory, market, and geopolitical landscape. From extreme weather disrupting supply chains to rising expectations around human rights and environmental due diligence, climate reporting, and climate-related litigation, the pressure is growing.

For investors, the transition to a low-carbon economy is not only a risk landscape but also a source of new opportunity. To deliver lasting value, however, investment strategies must reflect the realities facing the communities and ecosystems most affected by climate change and the transition to a low carbon economy. Rising temperatures, deforestation, critical mineral extraction, and poorly managed transition measures can all deepen inequality, increasing systemic risk and undermining the transition itself. In this context, venture capital has a critical role to play. The design of venture funds, what they prioritize, how they source opportunities, and how they support responsible business models, can directly influence whether the transition delivers outcomes for climate and people.

### A Venture Model Rooted in Responsible Supply Chains

With over \$52 million raised from investors including Walmart, Apple, Disney, SAP and Zalando, WCF invests in early-stage companies developing solutions to improve working conditions, livelihoods, and sustainability across global supply chains. Its portfolio – currently spanning 17 companies across two funds – focuses broadly on enhancing transparency and advancing respect for human rights.

At its core, WCF's investment thesis targets opportunities at the intersection of regulation, market trends, technology, and supply chains. The rising tide of mandatory human rights and environmental due diligence laws, including the EU's [CSDDD regulation](#), combined with tariff volatility and broader supply chain resiliency risks, is creating urgent demand for better tools to understand and address risk across global value chains. This positioning has enabled the fund to identify and scale business models that respond to growing demands for responsible business conduct.

WCF incorporates human rights into its investment approach by backing solutions that help companies conduct more effective human rights due diligence. WCF identifies supply chain vulnerabilities such as opaque procurement, the absence of first-mile worker data, and limited visibility into the lowest tiers, and targets innovative solutions to address those gaps, from worker voice technologies to supply chain mapping and risk intelligence platforms. By matching real supply chain gaps with scalable solutions, WCF positions its portfolio to benefit from the growing regulatory and market demand for supply chain transparency and accountability.

## Building a Portfolio of Just Transition Solutions

As climate change reshapes conditions for workers and communities across global value chains, WCF's portfolio has naturally evolved toward backing responsible supply chain and worker-focused solutions that enable a just transition.

A [just transition](#) is the shift to a low-carbon, climate-resilient economy that is equitable, inclusive, and grounded in the rights of workers and communities. For companies and investors, this means aligning business models and climate actions with the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#) and the [OECD Guidelines for Multinational Enterprises](#). In practice, it means conducting human rights due diligence to identify and address how business activities contribute to climate change and related harms. It includes assessing impacts on workers and communities from both the transition to low-carbon technologies and responses to physical

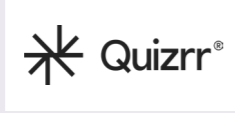
climate risks, as well as addressing how existing practices may increase vulnerability.

For WCF, this also means backing business models that help companies across industries align climate action with human rights and responsible business conduct. WCF's approach to just transition is grounded in all internationally recognized human rights, including labor rights, and aligns with the definition set out by the UN and International Labour Organization (ILO) as well as PCAP's approach.

Eleven portfolio companies specifically explore the connection between climate change and workers' experiences, including solutions that address vulnerabilities embedded in business-as-usual practices and climate action. These include tools that improve traceability, protect workers from climate-related health risks, and reduce reliance on high-risk inputs such as critical materials.



**1. Commit to People-Centered Climate Action**



Quizrr delivers digital training solutions powered by real-time data to build the capacity of workers and suppliers across global value chains. By equipping workers to understand and exercise their rights, Quizrr helps ensure they are not left behind as industries transition to low-carbon operations.

**2. Identify & Assess Climate-Related Impacts on People**



OpenSC uses blockchain and Internet of Things technology to give companies traceability and transparency across food and agriculture supply chains, enabling them to identify where climate-related disruptions and sourcing practices are putting workers and communities at risk.

**3. Take People-Centered Climate Action**



Elm AI uses artificial intelligence to evaluate supplier audits and generate Corrective Action Plans, helping companies prevent and remediate labor violations. This capability is critical to ensuring that the shift toward sustainable supply chains upholds workers' rights rather than undermining them.

**4. Take People-Centered Climate Action**



Glacier deploys AI-powered robotics to automate material sorting at recycling facilities, advancing the circular economy while reducing one of the most hazardous jobs in the waste sector and creating higher-skilled roles for workers.



SiTraction uses patented silicon filtration and electro-extraction technology to recover critical minerals like copper, cobalt, and nickel from waste streams, reducing reliance on resource-intensive conventional mining. By enabling cleaner, chemical-free extraction, SiTraction helps secure the materials essential to the green transition while reducing the environmental and human toll of mining on local communities.

**5. Track Performance**



TRACT streamlines sustainability measurement to accelerate supply chain transformation.

**6. Communicate Performance**



Provenance is an AI-enabled product data platform that helps brands and retailers verify and communicate credible sustainability and sourcing claims throughout the customer journey. As the transition accelerates, Provenance enables companies to transparently demonstrate how their supply chains are performing on social and environmental commitments.

**7. Ensure Access to Remedy**



Ulula's two-way grievance mechanism empowers workers to directly and anonymously raise concerns at any time, digitally connecting them with support for real-time case management and effective remediation. As climate action reshapes supply chains, tools like Ulula ensure that affected workers and communities have a clear path to remedy.

A core part of creating portfolios that deliver just transition solutions involves stewardship. WCF actively engages with portfolio companies to strengthen alignment with labor rights and just transition outcomes as part of its value creation approach.

WCF's latest report further highlights successful exits to a range of strategic acquirers, including SupplyShift to Sphera (Blackstone-backed), Versed.ai to Exiger (Carlyle-backed), and Ulula to EcoVadis (General Atlantic-backed), demonstrating the commercial viability of responsible supply chain solutions that advance respect for labor rights.



**Enhancing Value Creation through PCAP**

Across its first two funds, WCF has built a portfolio that increasingly connects supply chain accountability with just transition outcomes. Fund III will deepen this focus, targeting investments that more explicitly address the climate-related risks facing workers and communities across global value chains.

In this process, WCF is committed to advancing a more strategic investment approach to investing in innovations that enable companies across sectors to mitigate and adapt to climate change while aligning more fully with labor rights and responsible business conduct frameworks. As part of this effort, WCF joined PCAP to help build out a more holistic and integrated approach to just transition. This

includes accessing tailored tools and capacity building resources, peer learning opportunities, and multi-stakeholder engagement to hear from diverse stakeholders on evolving expectations and insights that strengthen people-centered climate action.

**Stewardship to Scale Solutions for Workers in the Transition**

Visibility beyond Tier 1 and Tier 2 suppliers is rare for manufacturers, exacerbating vulnerability to forced labor. Forced labor import bans are increasing pressure on businesses to take increased accountability in safeguarding decent working conditions.

In Fund I, WCF invested in Altana Technologies (Altana), an AI-powered software company that creates "value chain management systems" that can map corporate supply chains and assess risk in real-time. WCF invested in Altana pre-revenue. Through early engagement and prior to the company reaching a \$1 billion valuation, WCF steered Altana to integrate labor rights considerations as business scaled.

This addition has since become a significant driver of Altana's business, accounting for over one-third of its revenue. Altana acts as a platform of record for U.S. Customs and Border Protection (CBP) in enforcing the [Uyghur Forced Labor Prevention Act \(UFLPA\)](#), which prohibits imports linked to forced labor in China's Xinjiang region, including in the renewable energy sector.

In 2024, [WCF reported](#) that Altana's analysis of CBP data identified 928,991 companies linked to forced labor, affecting 785,415 direct trading relationships with U.S. importers and 6,871,643 indirect relationships.

**Working Capital Fund's experience demonstrates that investing in a just transition is not only viable but commercially compelling.**

By designing a fund model that targets the intersection of climate action, human rights, and supply chain innovation, WCF has shown that responsible business solutions can attract major corporate investors, scale globally, and generate successful exits. As regulatory pressure mounts, supply chains come under greater scrutiny, and the human costs of both climate change and the transition itself become harder to ignore, the demand for these solutions will only grow. WCF's trajectory offers a blueprint for how venture capital can be designed to deliver returns while ensuring the transition works for people, not just markets.

