

## Green Bond Fact Sheet

Sabará		Date: 17/09/2019	
Issue date: 12-08-2019 Maturity date: 12-08-2019 Tenor: 5			
Issuer Name	Grupo Sabará	Amount Issued	BRL20m/USD4.9m
Country of risk	Brazil	CBI Database	Included
Issuer Type <sup>1</sup>	Non-financial corporate	Bond Type	Private placement
Green Bond Framework	N/A	Second party opinion	Sitawi (not publicly available)
Certification Standard	Not certified	Assurance report	N/A
Certification Verifier	N/A	Green bond rating	N/A
Use of Proceeds			
<input type="checkbox"/> Energy	<input type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input type="checkbox"/> Hydro	<input type="checkbox"/> Tidal <input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid	<input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Buildings	<input type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input type="checkbox"/> Energy performance	<input type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Transport	<input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input type="checkbox"/> Urban rail	<input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Flood protection <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Waste management	<input type="checkbox"/> Recycling <input type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control	<input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input type="checkbox"/> Waste to energy <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> FSC Forestry <input type="checkbox"/> FSC Cellulose & paper	<input type="checkbox"/> Land remediation <input type="checkbox"/> Energy/water efficiency	<input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience	<input type="checkbox"/> ICT	<input checked="" type="checkbox"/> Industry: process
<b>Issue details</b>			
<b>Reporting</b>	Sabará will disclose the use of proceeds and impacts (various metrics/indicators) via annual updates on its website and every 3 years in its Sustainability Reports, until maturity.		
<b>Issuer information</b>	Grupo Sabará is a chemicals producer. It mainly develops products with applications in water treatment, cosmetics, food and drink, and animal health and nutrition. It started operations more than 60 years ago and distributes to over 40 countries.		
<b>Firsts, records and certifications</b>	First Brazilian green bond financing Industry since Suzano's in 2017. It is also the only ever Brazilian deal that only finances Industry, and the smallest ever deal from a Brazilian issuer.		
<b>Proceeds description</b>	The proceeds will finance/refinance investments related to the construction of an industrial plant that produces sodium chlorite in Santa Barbara d'Oeste, state of São Paulo, as well as purchases of supplies and packages related to the same product. It will be the first plant of the kind in Brazil. The production process relies entirely on renewable energy. Sodium chlorite is a chemical compound used in the manufacturing of paper and as a disinfectant (e.g. of water). It is a cleaner alternative than traditional oxidants in paper production and reduces the need for energy and water in the production of sugar and alcohol.		
<b>Climate Bonds view</b>	<p>Industrial processes are a large contributor towards GHG emissions. There has been limited issuance in this sector compared to others, so it is positive to see green bonds financing an increasing variety of industrial processes and products. According to the SPO, the use of sodium chlorite is cleaner than its alternatives and may reduce pollution and emissions in downstream stages of production.</p> <p>Further, it shows how smaller issuers (in this case the bond was just under USD5m) can access the green bond market, especially via private placements, which are more common in Latin America than any other region.</p>		
<b>Underwriters</b>			
<b>Deal comments</b>			
<b>Credit Rating</b>			
<b>Pricing summary</b>			
<b>Investors summary</b>			

<sup>1</sup> Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign