

Green CRA Tech receives certification from the Climate Bonds Initiative as the first collective Green CRA issuance in the world

Backed by CPR Financeiras issued by a group of Midwestern Producers, the deal will allow the preservation of 24,667 hectares of native vegetation

Sao Paulo, 18 June 2021: Seven producers from the Brazilian Midwest received news that sets them as worldwide pioneers in a new modality of agricultural credit. A CRA (Certificate of Agricultural Receivables) issued at a total value of BRL 63.3 million (equivalent to USD 11 million based on the issuance date), carried out by the group and settled in early March, received the Climate Bonds Initiative (CBI) certification under the Agriculture Criteria.

Green CRA Tech (CRA Verde.Tech) is the result of the partnership among Produzindo Certo, Traive Finance and Gaia Impacto. It is backed by producers who issued 17 CPRs (Rural Product Bills), in which a series of social and environmental performance targets are linked to their properties, in addition to production and financial commitments. This is the first dispersed deal of this kind, bringing together rural producers who are not linked to an agricultural group.

This is the third deal in the world to be awarded a certification against the new Agriculture Criteria, published by the Climate Bonds Initiative in October last year within the standards set by the Climate Bonds Standard – an international screening tool for investors and governments that enables them to easily identify climate and green bonds with confidence that the funds are being directed to climate change solutions.

Another unique point of Green CRA Tech is the inclusion of customized agriculture insurance, which provides extra guarantees to investors who participated in the issuance. The two previous deals in the sector were carried out by large companies.

The commitments taken by the producers will allow the preservation of 24,667 hectares of protected areas with intact native vegetation – 2,505 hectares of which are riparian forests around 387 kilometers of rivers and 141 springs.

- **Leisa Souza, Head of LatAm, Climate Bonds Initiative**

"The issuance of the first dispersed green bond certified against the Climate Bonds Initiative Agriculture Criteria was received by us with great optimism. This issuance is a historic landmark for Brazil for bringing together seven different producers from two Brazilian states. Green deals of this nature will certainly inspire more collective issuances, which will help unlock investments for Brazilian producers."

- **Aline Locks, CEO, Produzindo Certo**

"The CBI certification endorses our efforts to create conditions so that responsible producers are valued by obtaining resources and differentiated rates, as it attracts international investment funds. Giving the option to medium producers to participate in this market, which until recently had only attracted large national agribusiness companies, is very exciting"



- **Renato Barros Frascino, Agribusiness Director, Gaia Group**

"We are very happy to issue the first Green CRA to a group of producers certified by CBI. This opens a door for groups of producers who plant in a socially and environmentally responsible way, preserving the environment, to access Investment funds that invest in green bonds. The Green CRA is an important tool that may be issued in reais or dollars, the latter being exclusively for foreign investors"

- **Mauricio Quintella, COO, Traive**

"At Traive, we are creating the technology that improves the connection between farmers and ag companies with the financial ecosystem. In this journey, valuing our farmers by supporting good practices through credit, being the first operation of its kind certified by the Climate Bonds Initiative, reinforces even more the importance of what we are building".

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Notes for Journalists

About the Climate Bonds Initiative: The Climate Bonds Initiative is an investor-focused not-for-profit, promoting large-scale investment in the low-carbon economy. It undertakes advocacy and outreach to inform and stimulate green bond markets, provides policy models and government advice, international development programs, market data and analysis and administers the Standards & Certification Scheme. For more information, please visit www.climatebonds.net.

About the Climate Bonds Standard: is an international screening tool for investors and governments that allows them to easily rate climate and green bonds with confidence that the funds are being used to provide solutions to climate change.

About Traive: Traive was born with the vision of creating the technology that eliminates the fears and inefficiencies of investing in agriculture, and thus attracting private capital to the sector through complementary offers closing the farm credit supply chain loop (from farmers to capital markets) Its digital platform is designed to simplify risk analysis processes through data scraping and property AI based models, thus helping de-bureaucratize the agricultural credit and insurance markets. What started at MIT as a research project has grown into one of the most advanced technologies in the industry with integrated solutions across the entire credit cycle.

About Produzindo Certo: A company specializing in the transformation of supply chains, Produzindo Certo unites producers and companies committed to the correct management of natural resources and society. With more than 1,600 properties registered on its platform and more than 6 million hectares monitored, it carries out a socio-environmental diagnosis and proposes action plans to adapt them to the best production and conservation practices.

About Grupo Gaia: One of the main securitization companies in the Brazilian market, with more than R\$ 20 billion in deals carried out, and one of the pioneers in deals involving Agricultural Receivables Certificates (CRA) and in deals with social and environmental impacts.

