



BUREAU  
VERITAS

# *Bureau Veritas Certification - Brazil*

POST-ISSUANCE VERIFICATION REPORT

CLIMATE BONDS STANDARD 3.0

ECO SECURITIZADORA DE DIREITOS  
CREDITORIOS DO AGRONEGOCIO SA

RIZOMA AGRICULTURA  
REGENERATIVA SA



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## 1. INTRODUCTION

Bureau Veritas Certification Brazil (Bureau Veritas) was hired by ECO SECURITIZADORA DE DIREITOS CREDITORIOS DO AGRONEGOCIO SA (Ecoagro), to carry out an independent verification based on the issuance of R\$ 25,000.000.00 (twenty-five million reais) for projects and assets used by RIZOMA AGRICULTURA REGENERATIVA SA (Rizoma), according to the post-issuance criteria of Climate Bonds Initiative (CBI).

This verification was performed by a multidisciplinary team with expertise in financial and non-financial data.

### 1.1 Responsibilities of Ecoagro, Rizoma and Bureau Veritas

The information, calculation and submission of the data published in the report are the sole responsibility of Ecoagro and Rizoma management. Bureau Veritas Brazil is responsible for issuing an independent opinion to stakeholders, according to the work scope defined in this report.

## 2. METHODOLOGY, LIMITATIONS AND EXCLUSIONS

The verification was carried out according to the Post-Issuance Criteria of Climate Bonds Standard Version 3.0 and covered the following activities:

- ✓ Interviews with those responsible for issuing Bonds and projects;
- ✓ Review of documentary evidence provided by Ecoagro and Rizoma regarding the Bonds and projects issuance;
- ✓ Review of projects regarding CBI Taxonomy;
- ✓ Review of projects regarding the Agriculture Criteria of CBI;
- ✓ Evaluation of impact indicators associated with projects.

The adopted verification level was the Limited, according to the requirements of ISAE 3000<sup>1</sup> Standard, which were incorporated into the internal evaluation protocols of Bureau Veritas.

The scope of our work was limited to the guarantee on the allocation of bond resources and impact reports, as stated in Rizoma project follow-up report, for the period from July 2021 to June 2022, dated August 2022.

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<sup>1</sup> International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information.

The work scope excluded all evaluation of Project and Asset-related information out of Rizoma project follow-up report.

## **2.1 Work Scope**

The post-issuance verification was performed regarding the Climate Bonds Standard (CBS), 3.0 and Agriculture Criteria.

Rizoma resource investment and performance data were evaluated for the period from July 2021 to June 2022, the post-issuance period of the CBI Certification held in August 2022 and 24 months after the bond issuance.

### **2.1.1 Bonds issuer**

ECO SECURITIZADORA DE DIREITOS CREDITÓRIOS DO AGRONEGÓCIO SA, registered with the Brazilian Securities and Exchange Commission - CVM, located at Avenida Pedroso de Morais, 1553, 3<sup>rd</sup> floor - suite 32, Pinheiros, São Paulo /SP, CNPJ No. 10.753.164/0001-43.

### **2.1.2 Revenues users**

RIZOMA AGRICULTURA REGENERATIVA SA, a joint-stock company, located at Rodovia Washington Luiz, KM 204, room 1, ZIP 13530-000, Itirapina/SP, CNPJ No. 30.196.360/0001-71.

### **2.1.3 Eligible projects:**

Eligibility according to the Agriculture Criteria. To be eligible for inclusion in a certified bonds assets and projects they must meet the Mitigation, Adaptation and Resilience components requirements. We evaluated information and collected evidence on Mitigation, Adaptation and Resilience requirements, as shown in chapter 8 of this report.

The considered eligible projects are: Row crops and agroforestry - working capital; Row crops and agroforestry - machinery and infrastructure; Post-harvest infrastructure; Agroforestry expansion - biological asset; Research and development; and agricultural management platform.

The financial mechanism of this operation was an ARC - Agribusiness Receivables Certificate, in the total amount of R\$ 25,000,000.00 (twenty-five million reais), for a period of 07 (seven) years, issued in September 2020.

Financial data were checked in local currency (Reais).

### **2.2 Verification Period**

We carried out this verification in August 2022.

### **2.3 Declaration of Independence and Impartiality**

Bureau Veritas Certification is an independent professional services company specialized in Quality, Environment and Sustainability Management Systems, among others, with more than 186 years of expertise in independent evaluation.

Bureau Veritas has a quality management system certified by third parties, which documented policies and procedures are maintained for compliance with ethical, professional and legal requirements.

The evaluation team has no link with Ecoagro or Rizoma, and the evaluation was carried out independently.

Bureau Veritas has implemented and follows a Code of Ethics throughout its business, in order to ensure that its employees maintain high standards of ethics, integrity, objectivity, confidentiality and professional competence/attitude in the performance of their activities.

### 3. VERIFICATION ACTIVITIES

A	Revenues use
B	Process for the projects and assets evaluation and selection
C	Revenues management
D	Post-issuance report
E	Document review and outstanding issues verification
F	Final report
G	CBI submission
H	Adjustments (where applicable) and Report confirmation

### 4. PLANNING

Planning	Post-issuance checking	Period	Auditor
Scope and Planning	Yes	August 2022	Anna Guedes
Desk top- Review technical and financial documents	Yes	August 2022	Anna Guedes Erika Fagundes Marlon Marabuto
Project Follow-up and resources investment report	Yes	August 2022	Anna Guedes Erika Fagundes
Financial Assessment	Yes	August 2022	Marlon Marabuto
Final review of documentation and outstanding issues verification	Yes	August 2022	Anna Guedes Erika Fagundes
Preliminary , revision and final version report PT/EN	Yes	August 2022	Anna Guedes Erika Fagundes
Final report	Yes	August 2022	Anna Guedes Erika Fagundes

## 5. PROJECT CHARACTERISTICS

Rizoma Agro is a Brazilian producer of large-scale regenerative organic agriculture. The company designs and implements agricultural systems that produce profitable organic crops with a positive net return on the environment.

Rizoma is currently the largest producer of organic grains and vegetable in Brazil, supplying large food companies and exporting to the U.S. and Europe.

The company has 1,200 hectares leased on 2 farms, Toca Farm and Takaoka Farm, and a silo for drying and storing grains in the state of São Paulo. The entire operation is certified as organic using regenerative agricultural practices to rebuild soil health, increase its organic matter levels and stock atmospheric carbon underground.

In 2019, the company created a regeneration protocol that defines indicators and a sampling strategy to measure and monitor the impact on three main pillars (carbon sequestration, increased biodiversity and improved water cycle). This protocol was co-created with academic partners from Brazil and Europe, and the company conducted the first impact assessment between 2019 and 2020.

The Bond Net Product was applied to operating and capital expenses of Rizoma Agro current agricultural operations. The issued Bond, according to the pre-issuance, is aligned with the Climate Bonds Standard Version 3.0; and all indicated projects and assets are compliant with “Agriculture (including mixed-use production systems) taxonomy” and are covered by the Agriculture Criteria.

### 5.1 About Financial Operations and Resources Use

The Agribusiness Receivables Certificate (ARC) was issued following the rules of CVM Instruction No. 600, in the amount of R\$ 25,000,000.00 (twenty-five million reais), with a maximum period of 24 months (maximum period for the fundraising payment), which is the deadline for the ARC distribution in the capital market, according to the rules of CVM Instruction No. 476 (Brazil). In the case of Rizoma, the ACR will be 100% distributed and paid at once.

The ARC maturity was seven years, as defined in the Securitization Statement. The above mentioned ARC is backed by the Financial Rural Producer Note (CPR-F) issued by Rizoma

Agricultura Regenerative SA, which is an instrument that allows Rizoma Agro to raise funds for the Financing of Eligible Green Projects.

In August 2020 the bond was certified according to the *Bonds Standard Board* criteria by Climate Bonds Initiative.

## **6. RESOURCES MANAGEMENT**

During the period when the raised funds were available, Rizoma Agro current account was kept until its suppliers' payment. They have not been allocated to financial instruments that generally generate negative externalities to the climate or the environment.

The funds raised by Rizoma Agro were used exclusively for the acquisition of the inputs described in clause 5.1 of the CPR-F, compliant with the Securitization Statement. According to the Securitization Statement, the CPR-F could not be assigned to any other debt issuance, characterized as green or not. In addition, Rizoma Agro is obliged to submit annually the documentation that evidences the funds investment, according to clause 4.1 of the Securitization Statement.

## **7. REPORTS**

During the Green Bond period, Rizoma Agro demonstrated a commitment to publish Updated Reports annually to confirm its continued compliance with the Post-Issuance Requirements of Climate Bonds Standard:

- Allocation Report: confirming the allocation of Net Revenues for Nominated Projects and Assets;
- Eligibility Report: confirmation, when required by the relevant Sector Eligibility Criteria, with the characteristics or performance of the Nominated Projects and Assets necessary to comply with the applicable eligibility requirements;
- Impact Report: disclosure of Rizoma Agro impact indicators on carbon, biodiversity and water.

Rizoma demonstrated the correct and proper allocation of the funds, no later than 24 months after the bond issuance. We checked the publication of this information on the website:

<https://rizomaagro.com>



## **8. TECHNICAL OPINION**

Bureau Veritas verification team carried out this assessment in August 2022.

During our verification, evidence was collected to evaluate the use of the resources generated by the ARC issuance and the implementation of eligible projects in terms of compliance with the CBI Post-issuance criteria.

The expenditure balances of the projects proposed for the Green Bonds issuance (as shown in Annex 2 – Evidence of Resources Use\_submission) were analyzed. Our team analyzed evidences of the relevant disbursements for the previously defined items. Based on the submitted documents and a sample of payment records, no misuse of the resources obtained from the Green Bonds issuance was identified, and no deviation from the CBI criteria.

According to the available accounting records, we verified that from the amount raised of R\$ 25 (Twenty-five million) to Rizoma, 100% was invested in the eligible projects, with a complement of own resources.

A detailed checklist, covering all the post-issuance criteria of CBI, was forwarded to Rizoma for evidence collection and verification of compliance with these requirements. We verified the specific issues related to the post-issuance CBI criteria that consolidate the information and data that support the process adherence to the criteria. The results and evaluation of this checklist are an integral part of this report, in item 10 “Post-issue checklist”.

To evaluate the impact of investments made based on Green Bonds issuance, the performance indicators of the implemented projects were analyzed, as shown in item 8.5 “Reports” of this opinion. And in our opinion the monitoring of the proposed indicators is consistent and the results demonstrate the projects benefits.

Below, we describe our opinion based on the CBI Green Bond Principles and Agriculture Criteria.

### **8.1 Eligibility assessment**

We evidenced that the eligible projects remain the same as those described in the pre-issuance phase and remain aligned with the objectives documented by Rizoma according to the CBI Agriculture Criteria.

## 8.2 About Mitigation, Adaptation and Resilience Criteria

During our verification, we found that the company developed the application of best agricultural practices and technologies, research and development to meet its goal of producing feed/food while regenerating the soil/environment.

## 8.3 Projects Evaluation and Selection

We found that the eligible projects remain the same as those described in the pre-issuance phase. In addition, projects remain aligned with the objectives documented by Rizoma.

## 8.4 Revenues management

Resources were under the responsibility of Rizoma until their complete destination, which was completed within the comprehensive period of this verification.

Rizoma demonstrated that it has managed the resources allocation and demonstrated the resources investment in the projects foreseen in the pre-issuance. In our opinion Rizoma had an adequate level of control over the implemented eligible projects.

During our post-issuance verification, we found sufficient evidence on the accounting of allocated resources and the use completion of these resources.

## 8.5 Reports

To evaluate the impact of investments made based on the Green Bonds issuance, we verified the performance indicators of the implemented projects referred to in the pre-issuance.

We identified a consistent monitoring of the proposed indicators:

- soil organic matter
- organic carbon
- water retention capacity
- biodiversity
- microbial biomass carbon

Therefore, Rizoma demonstrated that it has generated positive impacts, and also additional relevant impacts resulting from the application of best agricultural practices (as shown in Annex 01\_ Post-Issuance Requirements Year 2), in the aspects of water management and use and productivity.

During the evaluation, we collected evidence from Rizoma that corroborate this report. Chapter 10 shows the checklist that consolidates information and data that support the process adherence to the criteria. Other documents, mainly in Portuguese, were maintained by Bureau Veritas Brazil as part of our verification process.

Rizoma demonstrated reliable technical and operational management, capable of generating accurate data on performance indicators. We evidenced, with samples, the main data that make up the indicators. The table below shows the company performance from July 2021 to June 2022.

## 9. CONCLUSION

Based on the work we have done and the evidence we have obtained, nothing has come to our awareness indicating that the Green Bonds allocation and their associated projects/assets by Rizoma do not meet the Climate Bonds Standard 3.0 and the Agriculture Criteria. In our opinion, Rizoma has the right to maintain the use of the Climate Bond Certification Trademark for the duration of the bond, provided that the bond remains in compliance with Climate Bond Standard.

## CONTACT

<https://certification.bureauveritas.com.br/fale-conosco/>

São Paulo, August 10, 2022.



Anna Carolina Guedes da Silva

Leader Auditor

Bureau Veritas Certification – Brazil

## Annexes:

Annex 1 – Post-Issuance Requirements Year 2

Annex 2 – Resources Use Evidence\_submission

## 10. POST-ISSUANCE CHECKLIST

Theme	Base for verification	Post-Issuance Requirements	Findings/Evidences	Information from Ecoagro / Rizoma
Use of proceeds	Climate Bonds Standard 3.0	5.1 The Net Proceeds of the Bond shall be allocated to the Nominated Projects& Assets.	Net proceeds of the bond are properly allocated considering Nominated Projects & Assets. For more information see Annex 1 "Post Issuance Requirements Year 2". The balances of expenditure on the projects proposed were analysed and sample evidence of the respective disbursements were verified.	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Use of proceeds	Climate Bonds Standard 3.0	5.2 All nominated Projects&Assets shall meet the documented objectives of the Bond as stated under Clause 6.1.1 and shall be in conformance with the requirements of Part C of the Climate Bonds Standard.	Nominated Projects & Assets meet documented objectives of the Bond as stated under Clause 6.1.1 and are in conformance with the requirements of Part C of CBS 3.0. For more information, see Annex 1 "Post Issuance Requirements Year 2".	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Use of proceeds	Climate Bonds Standard 3.0	5.3 The Issuer shall allocate the Net Proceeds to Nominated Projects&Assets within 24 months of issuance of the Bond, or the Issuer shall disclose in post- issuance reporting as per clause 8.3 the estimated timeline for allocation of net proceeds to Nominated Projects & Assets. Net proceeds may be reallocated to other Nominated Projects & Assets at any time while the Bond remains outstanding.	Most of the Net Proceeds to Nominated Projects & Assets have already been allocated. Rizoma has committed to spending the remaining part of the proceeds within 24 months of the issuance. Rizoma undertakes to issue information concerning this balance in future annual post-issuance reports.	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Use of proceeds	Climate Bonds Standard 3.0	5.4 Nominated Projects&Assets shall not be nominated to other Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labelled instruments (such as social bonds or SDG bonds) unless it is demonstrated by the Issuer that:	Rizoma confirms that the Nominated Projects and Assets has not be nominated to other Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labelled instruments.	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).

Theme	Base for verification	Post-Issuance Requirements	Findings/Evidences	Information from Ecoagro / Rizoma
Use of proceeds	Climate Bonds Standard 3.0	5.4.1. distinct portions of the Nominated Projects & Assets are being funded by different Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labelled instruments or; 5.4.2. the existing Certified Climate Bond, Certified Climate Loan or Certified Climate Debt Instrument is being refinanced via another Certified Climate Bond, Certified Climate Loan or Certified Climate Debt Instrument.	N.A.	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Use of proceeds	Climate Bonds Standard 3.0	5.5 Where a proportion of the Net Proceeds of the Bond are used for refinancing, the Issuer shall track the share of the Net Proceeds used for financing and refinancing and identify which Nominated Projects & Assets may be refinanced. This may also include the expected look-back period for refinanced Nominated Projects & Assets.	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets and not used for refinancing. For more information, see Annex 1 "Post Issuance Requirements Year 2".	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Use of proceeds	Climate Bonds Standard 3.0	5.6 The Net Proceeds of the Bond shall be tracked by the Issuer following a formal internal process which is documented in accordance with Clause 3.1.	Evidence of criteria for traceability of the net proceeds is established and maintained according to the Crop Pledge Certificate (CRA), Financially Settled.	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Use of proceeds	Climate Bonds Standard 3.0	5.7 The Net Proceeds of the Bond shall be no greater than the Issuer's total investment exposure or debt obligation to the Nominated Projects & Assets, or the relevant proportion of the total Market Value of the Nominated Projects & Assets which are owned or financed by the Issuer.	Net Proceeds of the Bond are not greater than the issuer's investment exposure. Rizoma established internal processes to track the Net Proceeds of the Bond, and earmarked the proceeds to Nominated Projects. For more information, see Annex 1 "Post Issuance Requirements Year 2".	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Use of proceeds	Climate Bonds Standard 3.0	5.8 Additional Nominated Project&Assets may be added to, or used to substitute or replenish, the portfolio of Nominated Project & Assets as long as the additional Nominated Project & Assets are eligible under Part C of the Climate Bonds Standard and are consistent with the Bond's objective as set out in Clause 6.1.1.	Net proceeds of the bond are properly allocated considering Nominated Projects & Assets proposed in the pre-issuance report. Rizoma confirmed that no other Project or Asset was added.	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).

Theme	Base for verification	Post-Issuance Requirements	Findings/Evidences	Information from Ecoagro / Rizoma
Use of proceeds	Climate Bonds Standard 3.0	5.8.1 .Where additional Nominated Projects & Assets are covered by Sector Eligibility Criteria which were not included in the scope of either the Pre- Issuance Verification or the Post-Issuance Verification engagements, the Issuer shall engage a Verifier to provide a Verifier’s Report covering at least the conformance of the additional Nominated Projects & Assets with the relevant Sector Eligibility Criteria under Part C of the Climate Bonds Standard.	N.A.	All net proceeds of the bond are properly allocated considering Nominated Projects & Assets. From planning to management and execution, everything is following the items reported in Pre Issuance document. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Process for Evaluation and Selection of Projects & Assets	Climate Bonds Standard 3.0	6.1 The Issuer shall document and maintain a decision-making process which it uses to determine the continuing eligibility of the Nominated Projects & Assets. This includes, without limitation:	Rizoma Agro Green Bonds Framework documents the decision-making process which it uses to determine the continuing eligibility of the Nominated Projects & Assets.	N.A.
Process for Evaluation and Selection of Projects & Assets	Climate Bonds Standard 3.0	6.1.1. A statement on the climate-related objectives of the Bond;	Framework describe objectives of the Bond that address climate change and reducing carbon emission.	The core points studied on the Impact Protocol (indicators well described into other document) are totally related to objectives of the Bond (addressing climate change and reducing carbon emission in the world). Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Process for Evaluation and Selection of Projects & Assets	Climate Bonds Standard 3.0	6.1.2. How the climate-related objectives of the Bond are positioned within. the context of the Issuer’s overarching objectives, strategy, policy and/or processes relating to environmental sustainability;	In the Framework (Annex 01), Rizoma Agro stated the aim to produce feed/food at the same time as regenerating soil/environment. There are pieces of evidence that the bests practices are being used to achieve this main goal. For more information, see Annex 1 “Post Issuance Requirements Year 2”.	Rizoma Agro has in its DNA the aim to produce feed/food at the same time as regenerating soil/environment. So, the bests practices are being studied and followed to achieve this main goal. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Process for Evaluation and Selection of Projects & Assets	Climate Bonds Standard 3.0	6.1.3. The Issuer’s rationale for issuing the Bond;	Framework and Rizoma policies and strategy demonstrate the issuer’s rationale for issuing the Bond.	Creating a rational understanding of where/when/how to use the Bond, considering regenerative practices to increase productivity and reduce costs, no money has been spent into other practices than the ones aligned to this. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).

Theme	Base for verification	Post-Issuance Requirements	Findings/Evidences	Information from Ecoagro / Rizoma
Process for Evaluation and Selection of Projects & Assets	Climate Bonds Standard 3.0	6.1.4. A process to determine whether the Nominated Projects & Assets meet the eligibility requirements specified in Part C of the Climate Bonds Standard;	A complete process to determine eligibility is described in the Framework (Annex 01) and can also be found in the Annex 1 "Post Issuance Requirements Year 2".	No management has been made without total contention with Part C, once all projects determined to happen are already finished or in course, with all the bond nominated to it. Using the first post-issuance report as a model to create this report, updates available at "Post Issuance Requirements Year 2" document (.PDF).
Process for Evaluation and Selection of Projects & Assets	Climate Bonds Standard 3.0	6.1.5. Other information provided by the Issuer as described in Clause 2.2 (Evidence that Issuer included, under Clause above, further aspects of the decision-making process, including: 1. Related eligibility criteria, including, if applicable, exclusion criteria or any other process, applied to identify and manage potentially material environmental, social or governance risks associated with the Nominated Projects & Assets; 2. Green standards or certifications referenced in the selection of Nominated Projects & Assets)	The Rizoma Agro Framework refers aspects of the decision making processes, including the nomination of projects aiming to comply with the organic certification of agricultural products.	All proceeds are non-contaminated, what can be better explained at "Post Issuance Requirements" document (.PDF). It means that the entire operation of the Bond is following the eligibility criteria and green standards, just as mentioned in pre issuance requirements.
Management of Proceeds	Climate Bonds Standard 3.0	7.1 The Net Proceeds of the Bond shall be credited to a subaccount, moved to a sub- portfolio or otherwise identified by the Issuer in an appropriate manner, and documented.	Evidence of criteria for traceability of the net proceeds are in the Crop Pledge Certificate (CRA), Financially Settled	The whole Bond is segregated from an accounting perspective. what can be proven through Allocating Report at "Post Issuance Requirements Year 2" document (.PDF).
Management of Proceeds	Climate Bonds Standard 3.0	7.2 The Issuer of the Bond shall maintain the earmarking process to manage and account for allocation of Net Proceeds to the Nominated Projects & Assets as described in Clause 3.1.3	Rizoma established and maintains an earmarking process to manage and account for allocation of Net Proceeds to the Nominated Projects & Assets.	All Bond management is properly earmarked to Net Proceeds to the Nominated Projects & Assets, what can be proven through Allocating Report, at "Post Issuance Requirements Year 2" document (.PDF).





Theme	Base for verification	Post-Issuance Requirements	Findings/Evidences	Information from Ecoagro / Rizoma
Management of Proceeds	Climate Bonds Standard 3.0	<p>7.3 While the Bond remains outstanding, the balance of the tracked Net Proceeds shall be reduced by amounts allocated to Nominated Projects &amp; Assets. Pending such allocations to Nominated Projects &amp; Assets, the balance of unallocated Net Proceeds shall be:</p> <p>7.3.1. Held in temporary investment instruments that are cash, or cash equivalent instruments, within a Treasury function; or</p> <p>7.3.2. Held in temporary investment instruments that do not include greenhouse gas intensive projects which are inconsistent with the delivery of a low carbon and climate resilient economy; or</p> <p>7.3.3. Applied to temporarily reduce indebtedness of a revolving nature before being redrawn for investments or disbursements to Nominated Projects &amp; Assets.</p>	<p>Rizoma keeps records of the management of proceeds and the allocation to nominated projects &amp; assets (for more information, see Annex 2 “Comprovação Utilização Recursos_ envio” on the use of proceeds). Requirements to provide evidence of the balance of unallocated Net Proceeds are stated in the Crop Pledge Certificate (CRA) and the Securitization Term Sheet. The balance of pending allocations are held in low-risk investments, such as Bank Deposit Certificates.</p>	<p>No segregation has been done specifically for the Bond emission. However, all Rizoma Agro money was managed into safe bank accounts and applied only in fixed incomes. Now, no money is still available, and every nominated project have already finished.</p>
Reporting Post-Issuance	Climate Bonds Standard 3.0	<p>8.1. The Issuer shall prepare an Update Report at least annually while the Bond remains outstanding.</p> <p>8.1.1. The Update Report shall be made available to holders of the Bond and to the Climate Bonds Standard Board.</p> <p>8.1.2. The Update Report shall be made available to the public.</p> <p>8.1.3. The Issuer should provide an Update Report to holders of the Bond on a timely basis in case of material developments</p>	<p>The update report was made available at Rizoma Agro website to make it public to all stakeholders involved or interested.</p> <p>Rizoma Agro has decided to submit the Update Report to BV verification right after the first year of emission. The company is now making available to public, holders of the bonds and to CBI a report already evaluated by BV, that can unify efforts and serve as a base for the next publications.</p>	<p>The last report is already available at the website, as well as the impact report that is the main basis to the environmental KPIs. When finished, this 2nd year report will also be available on the website.</p>