



# AMERRA NATURAL CAPITAL CREDIT STRATEGY

PREPARED FOR: GAI NEW YORK

Supported by



# AMERRA Capital Management

15+ year Food & Agribusiness asset manager launches  
Natural Capital Credit Strategy

*Investing to feed the world through sustainable agriculture*

## Highlights



Promote & enhance  
food & natural  
capital sustainability



Sustainable  
agriculture specialist  
Czarnikow / VIVE



Directly originated  
bilateral senior secured  
debt investments



Geographic footprint  
in Americas, with  
focus on Brazil

# AMERRA – Executive Summary

## History

- New York-based investment management firm focused exclusively on upstream and midstream Food & Agribusiness (“F&A”)
- Founded in 2009 by Craig Tashjian & Nancy Obler, 100% owned by AMERRA principals
- **Implemented ESG Framework with International Finance Corporation (“IFC”) in 2013** and further strengthened sustainability focus with **Czarnikow as MRV provider**
- Geographic footprint in Americas, with focus in Brazil
- We believe we are a ‘go to’ source for capital in the Brazilian agricultural space due to our effective diligence, practical know-how and deal execution capabilities

## Key metrics

(as of 12/31/24)

200+

Years of Team’s Food & Ag Investing experience

15

Investment and Operations Professionals

\$5.0B

Invested through 400+ transactions

\$3.8B

Originated in debt transactions

## Our Edge

### Significant F&A industry and investing experience

- Sector specific knowledge, skills, resources and networks lead to expert assessments and processes
- Deep operational expertise and track record

### Well rounded team with complementary backgrounds

- Veteran team with complementary backgrounds - long history of working together
- **On-the-ground presence in Brazil**

### Differentiated investment approach

- Focused strategy with systematic/replicable investing approaches
- Proprietary sourcing networks
- Built and operate investment / collateral management system

### Brazil experience and expertise

- AMERRA **\$1.7B invested over 90 transactions**
- On-the-ground presence – Brazilians on staff, dedicated legal resources, network of bankers, operators and industry experts
- Deep local expertise – legal & regulatory knowledge and experience and history of operating assets

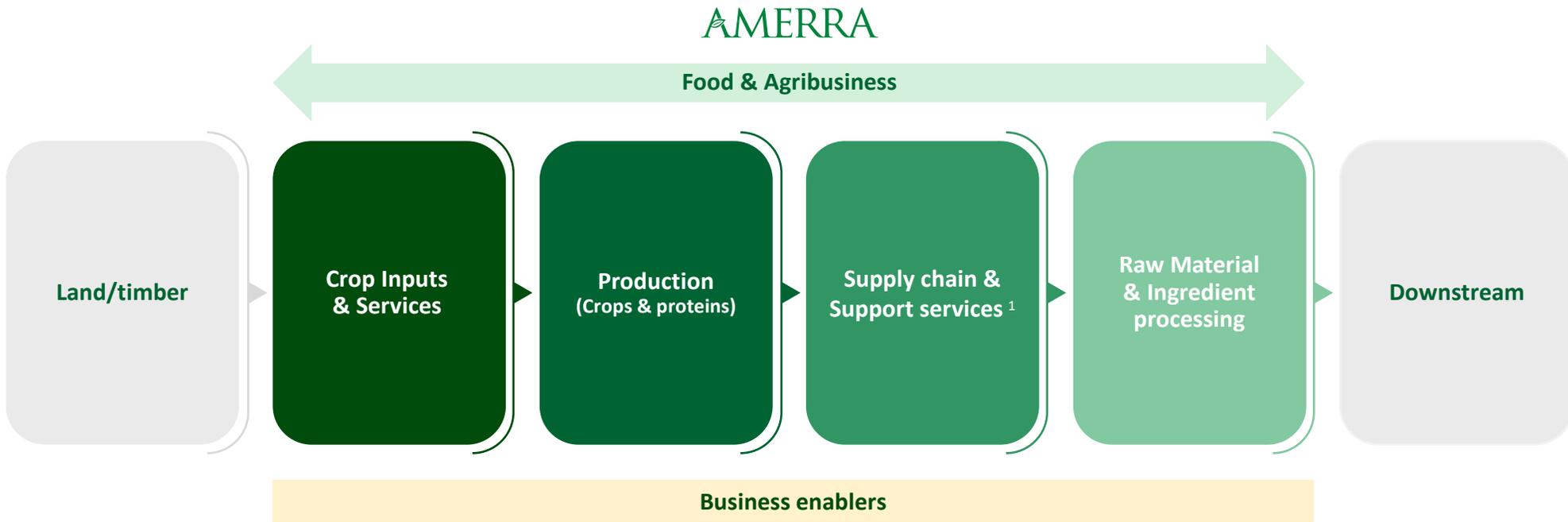
Note: Past performance is not indicative of future results. The returns of individual investors may vary because of timing of the investment. AMERRA Capital Management, LLC (the “Manager”) does not guarantee any minimum level of investment performance or the success of the strategy, and investors may incur losses. The Manager does not provide tax or legal advice, or determine an investor’s investment objectives, risk tolerance or suitability.



AMERRA Capital Management  
Transforming the global food & agribusiness supply chain one engagement at a time

# What is Food & Agribusiness?

Essential segment of the global food supply chain connecting farm to food manufacturer



# What is Food & Agribusiness?

## Natural Capital



Natural assets are essential to food, water and fuel supplies

## Impacts World Environment



Key to avoiding, reducing and removing carbon emissions making a positive impact on the planet

## Enhances Society



Brings employment, infrastructure and development to largely impoverished rural farming communities

***AMERRA seeks opportunities to transform the global food & agribusiness supply chain to help feed the world while protecting its natural assets for current and future generations***

# Why Invest in Food & Agribusiness?

## Meaningful Size



Agribusiness is a \$14.4 trillion market as measured by global sales volume <sup>2</sup>

- Represents ~13% of world economy
- Private Market with High Barriers to Entry

## Private & Difficult to Access



Global agribusiness industry is dominated by private, difficult to access companies

- Unlike “downstream” segment, upstream & midstream agribusinesses have limited access to public equity / debt markets
- Scarcity of publicly available information requires “in the trenches” networks
- Companies professionally managed & financially transparent, yet primarily unrated

## Recession Resistant



Agribusiness feeds the world making it the Essential Industry

- Agriculture was the only segment of Brazil’s economy to grow in 2020 <sup>3</sup>
- Making Agribusiness recession resistant

## Inflation Protection



Ability to pass price increases to consumers

- Agriculture is one of only a handful of industries to grow profitability in 2023 inflationary market – by passing on price increases to consumers as input costs rose <sup>4</sup>
- With adjustable-rate loans, lenders can capture inflationary price increases

## Dollar Denominated



Major commodities denominated in U.S. Dollars

- Exported commodities generate U.S. Dollar revenue
- Providing Fx risk protection to lenders

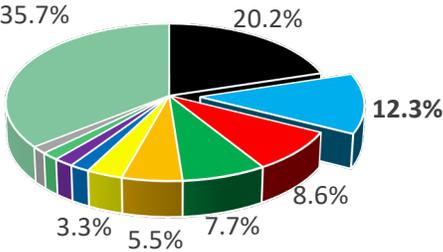
# Why Natural Capital in Brazil?

## Unlocking Value Through Sustainable Agricultural Practices

### Share of Agriculture Natural Capital Resources

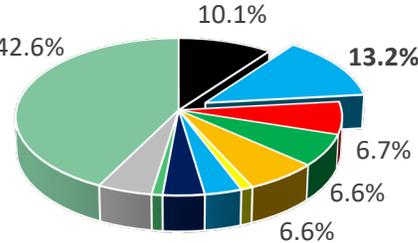
#### % of World's Forest

- Russia
- Brazil
- Canada
- USA
- China
- Australia
- India
- Peru
- Mexico
- Colombia
- Other



Source: Visualcapitalist.com  
As of 2021 – published 2/2024

#### % of World's Renewable Fresh Water



Source: Our World in Data  
As of 2021 – updated 1/2025

### AMERRA View – Why Natural Capital focus in Brazil?

- **World Leader in Agriculture** - Creates opportunity for natural capital-based agriculture investments. Brazil is a Top 5 producer of 34 agricultural commodities <sup>5</sup> and the world's largest net agricultural exporter <sup>6</sup>
- **Where The Growth Is** - Brazil's agriculture grew 8% annually from 2000-2020,<sup>7</sup> and represented 24.2% of 2023 GDP in Brazil <sup>8</sup> as compared to 5.6% in U.S.A. <sup>9</sup> making the sector a priority for Brazil's government
- **Protect Biodiversity** - Brazil is world's most biodiverse country <sup>10</sup> – natural capital focused agriculture will help protect that biodiversity
- **Leader in Biofuel Policy** - Brazil's "Fuel of Future" law requires material increases in bio-based blends in diesel, gasoline, natural gas & jet fuel <sup>11</sup>
- **Carbon Market Initiative** - Brazilian Greenhouse Gas Emissions Trading System is new cap-and-trade mechanism integrating voluntary market credits <sup>12</sup>
- **Proven Investment Structures** – AMERRA has operated in Brazil since inception and has extensive experience executing on collateral, taking possession of assets and operating businesses when needed

# Why Invest in Food & Agribusiness Debt with Brazil Focus Now?

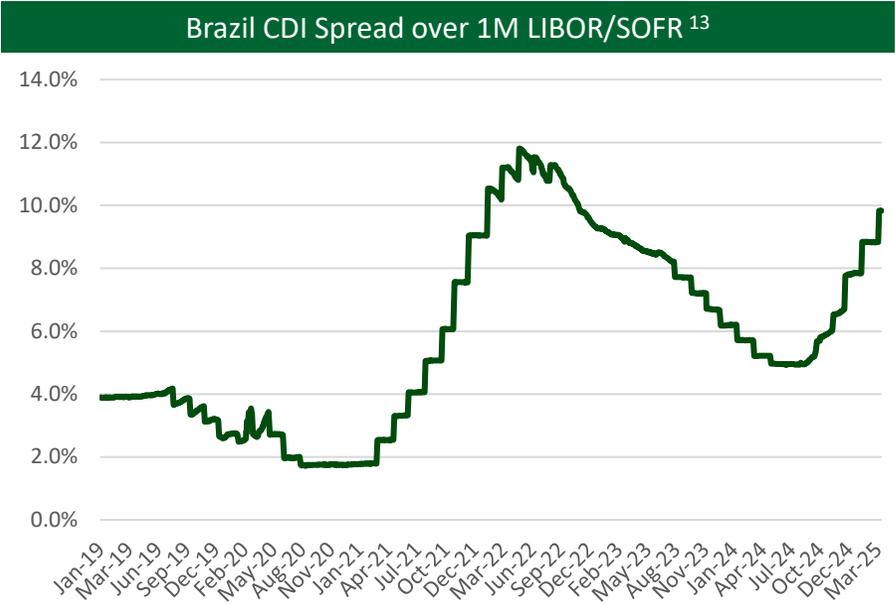
*Brazil-U.S.A. Interest Rate Spread less Relative Inflation results in 769 bps Real Return Arbitrage*

## Interest Rate Spread

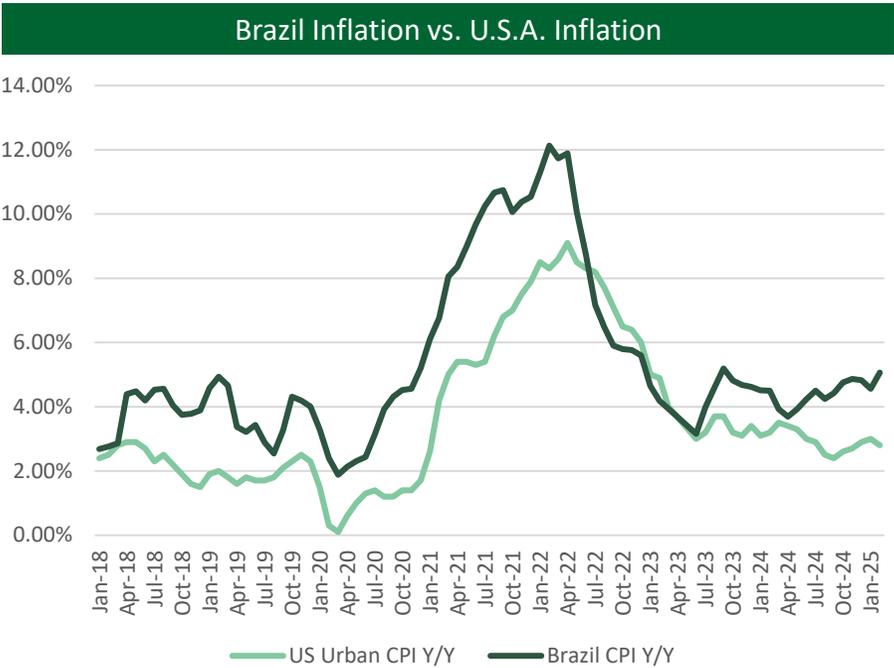
- Brazilian borrowers typically pay interest based on Brazilian interbank deposit (CDI) rate, **currently 14.25%** after 100bps **increase** in March 2025
- U.S.A. reference SOFR **currently ~4.30%**

## Relative Inflation

- Brazil February 2025 inflation **+5.06%** year / year
- U.S.A. February 2025 inflation **+2.80%** year / year



Source: Bloomberg data as of March 31, 2025



Source: Bloomberg data as of March 31, 2025

# The Challenge - Food & Agribusiness Consumes Natural Capital

## Call For Action

- Society historically encouraged growth at the cost of natural capital – Food & Agribusiness led to deforestation, carbon emission, heavy water usage, etc.
- As a result, the stock(s) of many key agricultural natural capital assets has been severely depleted <sup>14</sup>
- Yet, Food & Agribusiness must feed a population growing at 1% per year
- **AMERRA believes a capital allocation deficit exists within Food & Agribusiness specifically to enhance food production capacity while simultaneously preserving and restoring natural capital**

## Environmental Impacts of Food & Agribusiness

**Greenhouse gas emissions**  
% of world's emission



**Land use**  
% of world's habitable land



**Freshwater withdrawals**  
% of world's withdrawals



Source: Our World in Data  
Date published: November 2022

# AMERRA Offering - Helping Find Balance

## Strategy to Feed World & Protect Natural Capital

### Financing projects that promote

- Regenerative ag / soil health
- Yield improvement
- Weather resiliency
- Renewable biofuels
- Pastureland conversion
- Carbon capture / reduced emission
- Energy / water efficiency
- Agtech adoption
- Improved infrastructure
- Supply-chain sustainability commitment
- Reduced waste
- Communal benefits



### AMERRA Toolbox

- Active engagement - providing tools & resources to promote positive change
- **VIVE 3<sup>rd</sup> party monitoring services (MRV)**
  - **Independence is important**
- Requirements specifically delineated in loan agreements
- Regular sustainability-based reporting requirements
- Improved economics on achieved metrics
- Punitive actions for sustainability-based covenant defaults



### Will Not Invest In



- Livestock
- Tobacco
- Cheese / dairy
- Level 3 hazardous materials
- Deforestation
- Companies employing child / forced labor

# VIVE - Sustainability Measuring, Reporting & Verifying (“MRV”)



## MRV Challenges

- How to properly assess sustainability?
- What are appropriate benchmarks?
- How to clearly & concisely report sustainability?
- How to verify information ‘in-the-field’?
- How to set improvement plan metrics?
- How do producers create value through sustainable practices?
- How can investors drive sustainability?

**AMERRA’s  
Solution**  
  
**Engaged  
Czarnikow as  
Sustainability  
Service Provider**

Czarnikow’s VIVE Program is a **globally recognized continuous improvement sustainability** program for commodity supply chains, covering all operations and activities for producers to end users that have a bearing on sustainability

### AMERRA + VIVE Benefits

- | Portfolio Companies  | Strategy   |
|--|--|
| <ul style="list-style-type: none"> <li>• On-site assessments</li> <li>• Clear reporting, analysis &amp; action plans</li> <li>• Benchmark Report</li> <li>• Improvement Plans</li> <li>• Follow-Up</li> <li>• Potential reduced interest cost</li> <li>• Potential product sale premium</li> </ul> | <ul style="list-style-type: none"> <li>• Sustainability expertise &amp; quantifiable impact metrics</li> <li>• Realized impact vs. objectives reporting</li> </ul> |

# VIVE - Assessment Process & United Nations Sustainable Development Goals

## Farm & Facility Mappings Cover 14 of the 17 UNSDGs



Source: Czarnikow / VIVE

- ✓ Incorporated in VIVE Farm Mapping
- ✓ Incorporated in VIVE Facility Mapping

# VIVE - Food & Agribusiness Supporting Buyers

Practical Approach – Considering Both Commercial and Philosophical



Note: Shown for illustrative purposes and might not reflect all buyers participating in VIVE program

# AMERRA + VIVE – Impact and Sustainability Key Performance Indicators

All Investments Subject to Set of Natural Capital KPIs

## KPI #1



### Participation in VIVE Program

- Commitment to participate in VIVE assessment is prerequisite to receive financing
- Buyers supporting VIVE will be notified of participation

## KPI #2



### Achieve VIVE Claim Level

- Meets industry standards for industrial buyers committed to sustainable sourcing of food ingredients in their supply chains
- Opens portfolio company to universe of buyers requiring sustainability certification
- Benchmarked to multiple globally recognized sustainability programs

## KPI #3 +



### Targeted to Project Objective

- Specific to projects financed by The AMERRA Natural Capital Credit Strategy
- AMERRA to work with VIVE in construction of individually tailored KPIs
- Improved loan economics tied to targeted project KPIs

# AMERRA Natural Capital Credit Strategy

## Stakeholder Alignment

### Investors



- Earn economic return
- Drive sustainability improvement
- Receive **3<sup>rd</sup> party sustainability reporting**



- Carried interest:
  - Economic – standard format above preferred return
  - **Earn / lose carried interest** – based on achievement of portfolio companies / strategy **sustainability objectives**

### Portfolio Companies



- Debt financing to effectuate sustainability
- **Required VIVE participation** includes sustainability consulting and improvement plan
- All **loans interest margin reduced upon achievement of sustainability objectives**

# AMERRA Natural Capital Credit Strategy

## Objectives

Provide LPs access to an alternative investment option with key characteristics:

- **Senior, secured debt** - expected to deliver quarterly interest payments & downside protection
- **Denominated in USD** - expected to mitigate Fx risk
- **In “essential” food & agribusiness** – expected to mitigate inflationary and recessionary risk

While, assisting in feeding the world and protecting the planet’s natural capital assets



# **APPENDIX**

# VIVE – Assessment Overview

## KPI #1 & #2 – Participation in VIVE & Achieving Sustainability Status

### Holistic Approach



A full VIVE Assessment ensures all aspects of sustainability are considered, not just isolated metrics

### Gap Analysis & Improvement Plans



VIVE collects data on current sustainability initiatives, performance metrics and practices – then compares them against industry standards, regulatory requirements and best practices to identify gaps and areas for improvement

### Material KPIs



VIVE supports informed decisions that drive meaningful and sustainable improvements in agriculture – KPIs can be structured and designed specific to crop, farmland and gaps identified

### Monitor, Reporting & Verification



VIVE ensures that the environmental, social and economic impacts of sustainability projects are accurately measured, transparently reported and independently verified

# VIVE – Holistic Approach to Sustainability

## KPI #1 & #2 – Participation in VIVE & Achieving Sustainability Status

### Governance & Policies



- Business practices
- Procedures & Records
- Business integrity
- Stakeholder engagement
- Farmer contracts
- Economic viability

### Company Facilities



- Workplace health
- Hazardous materials
- Safety
- PPE
- Prevention of accidents
- Fire & Emergency
- First Aid

### Crop



- Farmer Training
- Variety Selection
- Crop Husbandry
- Harvesting
- Contaminants
- Farm efficiency
- Regenerative Practices
- Soil Analysis

### People



- Employment Terms
- Labor Codes
- Welfare Program
- Community & Land rights
- Farmer Training
- Child Labor
- Forced Labor
- Safe work environment

### Environment



- Emissions & Waste
- Fuel & Chemical storage
- GHG reduction
- Waste reduction
- Natural Resources
- Water & Soil management
- Pollution
- Biodiversity

# VIVE – Sample Reporting

## KPI #1 & #2 – Participation in VIVE & Achieving Sustainability Status

■ Scores achieved for each Pillar assessed: Tapejara

Facilities Module Pillar	On-Site Assessment Score
Facilities 1: Governance	100%
Facilities 2: Company Facilities	92%
Facilities 3: People	100%
Facilities 4: Environment	76%
Facilities 5: Traceability	100%
Facilities 6: Transportation, Handling & Storage	100%
<b>Facilities Module Score</b>	<b>93%</b>
Farm Module Pillar	On-Site Assessment Score
Farm 1: Governance	100%
Farm 2: Crop	92%
Farm 3: People	100%
Farm 4: Environment	99%
Farm 5: Traceability	100%
<b>Farm Module Score</b>	<b>98%</b>

### 4. ENVIRONMENT PILLAR Observations from the Farm Visits

FAR 4 10  Soil Protection	<i>Tapejara, Terra Rica and Paranacity farms: During the on-site audit, agricultural practices supporting soil conservation and protection were observed, including: maintaining sugarcane straws on the soil after harvesting, discontinuation of sugarcane burning, application of contour lines in specific areas, and the use of crop rotation prior to sugarcane replanting.</i>
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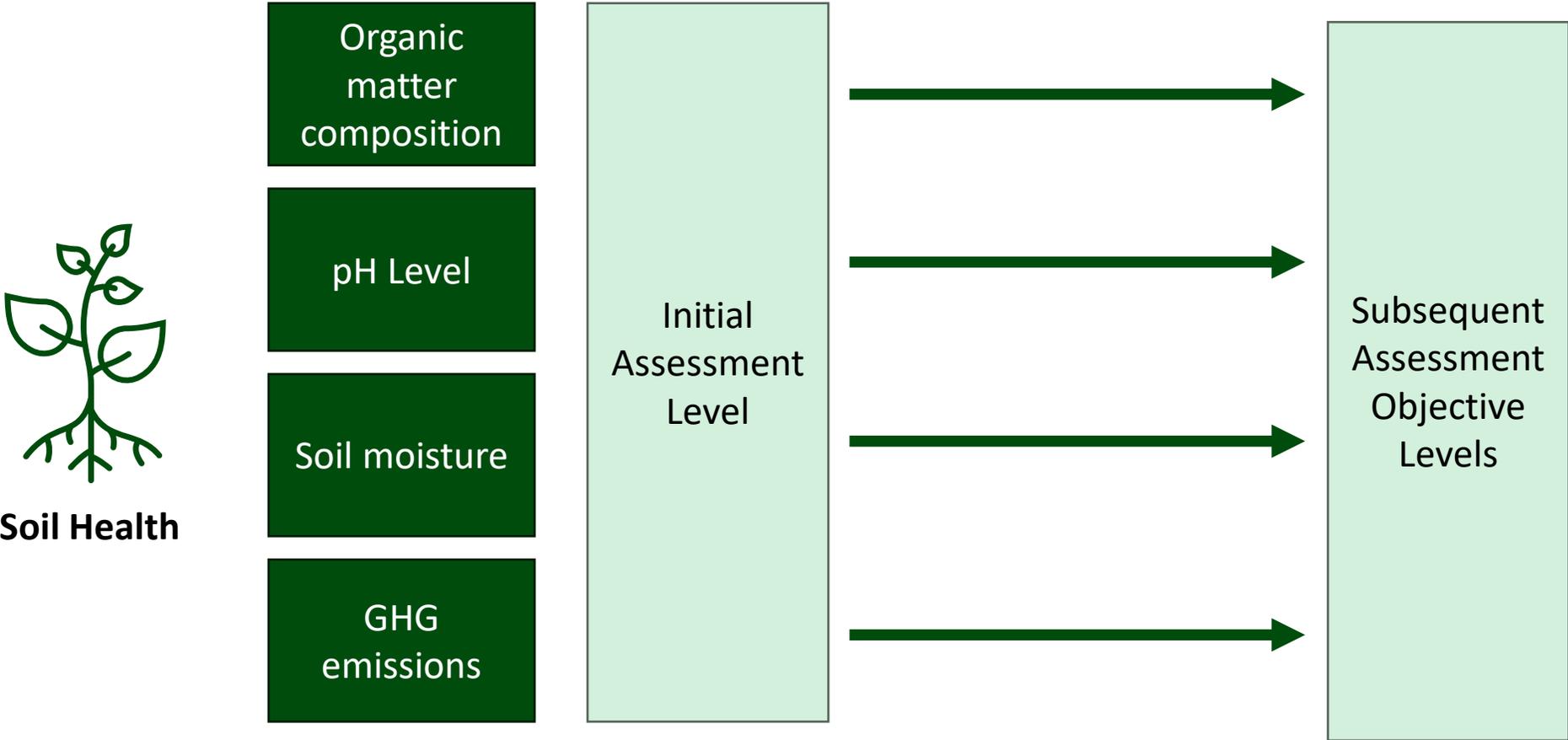
## Pillar Summary: Farm, Environment (4)

The table below illustrates the score obtained by Criteria, highlighting areas of strength and those which could be improved.

Guiding Principle Reference	Current Score On-site Assessment		
	Paranacity	Tapejara	Terra Rica
FAR 4 1  Risk Assessment	90%	100%	100%
FAR 4 2  Farmer Training Programme	100%	100%	100%
FAR 4 3  Farm Monitoring	100%	100%	100%
FAR 4 4  Water use efficiency	80%	80%	80%
FAR 4 5  Water Extraction	100%	100%	100%
FAR 4 6  Irrigation Water Quality	100%	100%	100%
FAR 4 7  Water Protection	100%	100%	100%
FAR 4 8  Monitoring of Water Pollution	0%	100%	0%
FAR 4 9  Soil Conservation	100%	100%	100%
FAR 4 10  Soil Protection	100%	100%	100%
FAR 4 11  Fuel Storage on Farms (not including wood)	100%	100%	100%
FAR 4 12  Minimising Atmospheric Pollution	100%	100%	100%
FAR 4 13  Reuse and Recycling of Plastics	100%	100%	100%
FAR 4 14  Reuse, Recycling and Disposal of Non-Hazardous Waste (excluding plastics)	100%	100%	100%
FAR 4 15  Storage, Recycling and Disposal of Hazardous Waste	100%	100%	100%
FAR 4 16  Recycling or Disposal of Empty Agrochemical Containers	100%	100%	100%
FAR 4 17  Renewable Energy	100%	100%	100%
FAR 4 18  Reduction of Greenhouse Gas (GHG) Emissions on the Company's Supplying Farms	80%	87.4%	80%
FAR 4 19  Biodiversity Management Plan	80%	100%	80%
FAR 4 20  Biodiversity Monitoring	30%	100%	30%
FAR 4 21  Protection of Land with High Biodiversity Value	0%	100%	0%
FAR 4 22  Expansion onto New Farmland	100%	100%	100%

# AMERRA Natural Capital Credit Strategy

## KPI #3 - Example of Specific Project KPI – Soil Health



## Footnotes

<p><sup>1</sup> Includes storage, wholesale distribution and integrated supply-chain opportunities</p>	<p><sup>2</sup> Agriculture Global Market Report 2024</p>	<p><sup>3</sup> Farm Futures “Brazil’s 2020 economy: Agriculture booked while others fell” March 16, 2021</p>	<p><sup>4</sup> Agri Investor “Agribusiness holds off inflation with pricing prowess” June 12, 2024.</p>	<p><sup>5</sup> McKinsey &amp; Company, “Striking the balance: Catalyzing a sustainable land-use transition” November 2023</p>	<p><sup>6</sup> Forbes, “Brazil GDP per capital and Its Worst Years” December 23, 2022 and statista “Share of value added by agricultural sector to the gross domestic product (GDP) in Brazil from 2011 to 2021”</p>
<p><sup>7</sup> USDA, Economic Research Service using data form U.S. Department of Commerce, Bureau of the Census</p>	<p><sup>8</sup> USDA and Statistica data</p>	<p><sup>9</sup> World Bank as of 2022</p>	<p><sup>10</sup> “The 201 Most (&amp; Least) Biodiverse Countries” Updated September 22, 2022 by Matthew H. Nash. theswifttest.com</p>	<p><sup>11</sup> Valor International Agribusiness “Fuel of the Future” by Rafael Walendorff, Globo Rural – Brasilia 10/9/024</p>	<p><sup>12</sup> “President Lula signs law creating regulated carbon market in Brazil” Published Dec. 12, 2024 www.gov.br</p>
<p><sup>13</sup> The London Interbank Offering Rate (“LIBOR”) ceased to be published on June 30th, 2023, and federal financial regulated institutions transitioned to an alternative reference rate. The Federal Reserve created the Alternative Reference Rates Committee (ARRC) to develop the Secured Overnight Financing Rate (“SOFR”) as an alternative reference rate. SOFR is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities on the overnight Treasury repurchase agreement market. In addition, the CME Group created CME Term SOFR Reference Rates for forward-looking interest rate estimates for 1-month, 3-month, 6-month and 12-month tenors. CME Term SOFR Reference Rates are endorsed by the ARRC.</p>					<p><sup>14</sup> (i) Annual CO2 emissions by world, Global Carbon Budget (2024) (ii) Land used for cropland and grazing over the long term, HYDE (iii) Renewable freshwater resources per capita, World Food and Agriculture Organization of the United Nations (via World Bank)</p>

# Disclosures

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An investment in the AMERRA Natural Capital Credit Strategy (the “Strategy”) is speculative and subject to a variety of risks, as described in the confidential private placement memorandum. Among the risks we wish to call to particular attention of prospective investors are the following:

- The Strategy’s concentration in one economic sector and in the Americas, including emerging market countries, may increase the volatility of their returns and may also expose the Strategy to the risk of economic downturns in this sector and region to a greater extent than if its portfolio also included other sectors of the economy and other countries.
- The Strategy will invest in debt and equity securities, including corporate bonds, notes and convertible debt securities issued by targeted portfolio companies that are non-investment grade and securities issued by privately-held companies whose operating results may be difficult to predict. Investment in debt securities will subject the Strategy to specific risks, including interest rate risk and credit risk.
- Agricultural commodities prices have been and are likely to continue to be, volatile and subject to wide fluctuations in response to factors including: (i) changes in the supply and demand for the relevant commodity (fundamentals); (ii) market uncertainty; (iii) political conditions in producing regions; (iv) the extent of domestic production and importation/exportation of the commodity in the relevant market; (v) the level of consumer demand; (vi) competitive position of new supplies; (vii) the effect of US and foreign regulations on the production, transportation and sale of the relevant commodity; and (viii) currency risk and restrictions.
- The Strategy may purchase or sell commodity futures and options contracts and use derivatives from time to time, to hedge physical commodities. AMERRA Capital Management, LLC (“AMERRA”) may also cause counterparties to hedge physical commodity price risk.
- Certain securities and instruments in which the Strategy may invest can be highly volatile.
- The Strategy is dependent on the services of certain key personnel, and, were certain or all of them to become unavailable, the Strategy may prematurely terminate.
- AMERRA will be relying on Czarnikow’s VIVE sustainability monitoring (MRV) to help it execute the Strategy’s investment strategy in sustainable agriculture investing. However, there can be no assurance that the MRV will be effective in ensuring that the Strategy’s sustainability objectives are achieved. Furthermore, AMERRA makes no assurance that the portfolio companies invested in by the Strategy will abide by or achieve any sustainability objectives, notwithstanding the inclusion of any punitive actions for sustainability-based covenant defaults, and the enforcement of such sustainability-based covenants could have a material adverse effect on the Strategy’s performance.
- An investment in the Strategy is illiquid, and there is no secondary market for the Strategy.
- AMERRA, as the Strategy’s investment manager, or affiliates thereof will receive performance-based compensation. Such compensation may result in riskier investments.
- The Strategy and AMERRA and its affiliates are subject to various conflicts of interest as set forth further in the private placement memorandum.
- \* The Strategy is not registered under the United States Investment Company Act of 1940, and investors will not have the protections afforded thereby.
- \* The Strategy will invest primarily in corporate debt and debt-like instruments issued by companies in the agriculture sector. Accordingly, the Strategy’s ultimate performance will be a function of the issuers/borrowers meeting expected performance hurdles and performing under their debt obligations. In the event of default, performance will also be determined through the monetization of collateral. The activities of such companies are subject to a high degree of volatility and substantial risks that may impact operations.
- \* In originating loans, the Strategy may be subject to material misrepresentation or omission on the part of a borrower. Such inaccuracy or incompleteness may adversely affect the valuation of or perfection of a lien on the loan collateral.

There can be no assurance that the Strategy’s objectives can be achieved or that the Strategy will not incur losses. Past investment performance is not indicative of future results, including future volatility and correlation to other types of investments. The returns of individual investors may vary because of timing of the investment and differences in management fees and carried interest, if applicable. No investment decision should be made until a prospective investor has read the confidential private placement memorandum. The information contained herein is intended solely for use by the recipient hereof and is not to be reproduced or distributed to other parties.



# AMERRA

Customized Food & Agribusiness Investing

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