Sustainability Report

2023-2024

Tereos

Day by day,
cultivating the future.

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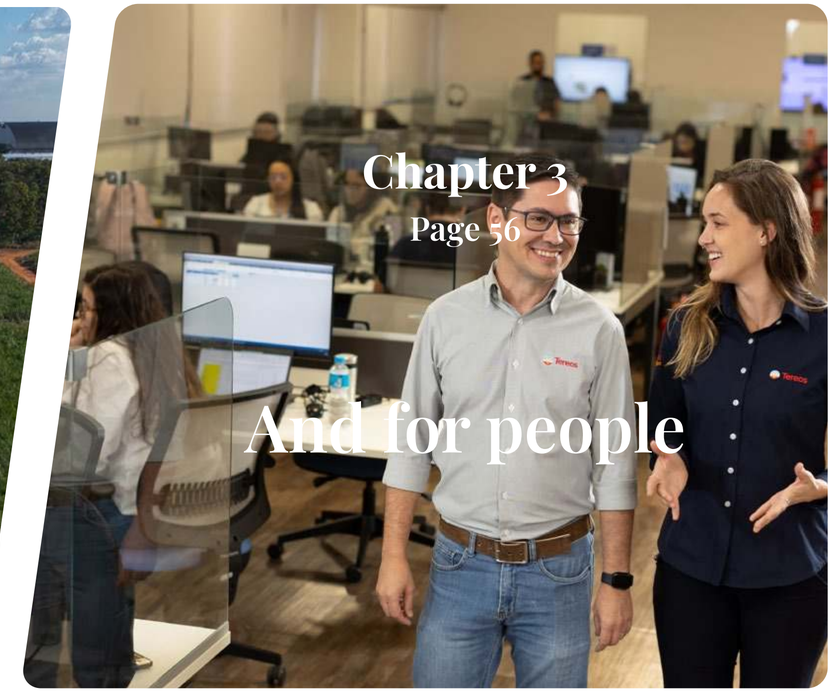
Cultivating a shared future for the Earth



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Over the course of this report, those of our actions that are aligned with the directives of the Tereos Group will be highlighted by a symbol.

About the report

[GRI 2-3]

The Sustainability Report relating to the Tereos Sugar & Energy Brazil[1] 2023-2024 campaign, presents a number of important achievements in the operational and financial areas, the investments made with the aim of improving agricultural processes and practices, and the advances we have made with certifications, amongst other results. The publication also reinforces the efforts and challenges relating to the ESG (Environmental, Social and Governance) agenda, the medium and long-term projects undertaken, and the Company's commitments to the sustainability of its operations.

The chapter entitled "How we are set up" presents Tereos' new objective and values, which were launched during the last campaign, as well as the Company's new materiality, developed during the same period. Over the course of the other chapters, the report covers the importance of the sustainability strategy and its impacts on the business, the evolution achieved in environmental management, the initiatives focused on people, and the relationship with the stakeholders, amongst other topics.

Tereos' Sustainability Report has been developed using the Global Reporting Initiative (GRI) as a base, as well as the Sustainable Development Goals (SDGs) established by the United Nations' (UN) Global Compact. It also involves the indicators developed by the Sustainability Accounting Standards Board (SASB), with the SGS providing external assurance.

We are reinforcing our commitment to responsible and efficient operations, seeking sustainability throughout our value chain and connecting the global directives of the Tereos Group.

The results relate to the 2023-2024 campaign (April 2023 to March 2024). [GRI 2-5]

Any doubts or comments concerning the report may be sent to esg@tereos.com.

[1] Over the course of the report, in order to avoid repetition, Tereos Sugar & Energy Brazil shall be referred to simply as 'Tereos'. Whenever reference is made to the global operations, we shall be using the term 'Tereos Group'.

A message from the leadership

[GRI 2-22]

As part of a French group founded by farmers, we have a fundamental care for the land in our DNA. Driven by this passion, we cultivate a shared future for the Earth and people. This is the objective that has been driving Tereos for 92 years and which has driven the company in Brazil for more than 20 years.

Here, along with our more than nine thousand employees distributed across different units throughout the state of São Paulo, we aim to meet the needs of the public whilst balancing this with the preservation of our resources. When we look at our results from the 2023-2024 campaign, we can see that we are on the right path. We can also see that we hold in our hands the opportunity to go further and to make a solid contribution to Tereos global commitment to the decarbonization of our operations.

The goals which the Group has assumed with the Science Based Targets initiative (SBTi) reinforce how seriously we take this matter, as well as our intention to speed up our energy transition over the coming nine years and achieve Net Zero by 2050. In Brazil, we are already using almost 100% of our raw-materials and the generation of biogas and biomethane will be the main driver for the decarbonization of our business in the coming years.

Our work at Tereos is proof that sustainability and efficiency go hand-in-hand. Over the 2023-2024 two-year period, we achieved the most extensive milling on record, with 21.1 million tons of sugarcane being processed, generating an unparalleled revenue of R$ 6.7 billion and a net income of R$ 719 million. As well as the best EBITDA in the company's history, we also achieved the greatest recurring operating profit, the lowest level of financial leverage, and, most importantly: the knowledge that our team is able to go beyond all expectations.

This result reflects the collaborative work of our team which, even in the face of difficulties, is dedicated to driving the investments made in the operations, continually improving our agricultural practices, our industrial operations, and our administrative processes.

By putting the Tereos Group's values of collaboration, performance, pragmatism and boldness into practice, we are paving the way with the elements necessary for us to go further. Our objective puts sustainability at the heart of the business and leads us to nurturing initiatives that care for the planet and for people in our day-to-day activities.

In order for us to increase our eco-efficiency even more, we can count upon the support of a new program, called 'MASTER', that has been developed to monitor the implementation and progress of the processes related to sustainability, identifying positive initiatives and areas where improvements can be made in relation to water, waste and emissions, whilst also preparing our units for the future.

We recognize that we also play a fundamental role in having a positive impact on the communities in which we operate. We have therefore taken steps forward in our social agenda with the first edition of the Tereos *na Área* event, which provided a range of activities for more than five thousand people in the municipality of Mirassolândia, in São Paulo, including recreational activities for children and actions relating to employment and culture for adults.

The Tereos *Fazendo Acontecer* program, meanwhile, coordinated five editions of voluntary actions focused on the environment, social wellbeing, health and education in the towns and communities in which we operate, affecting more than a thousand people during the most recent campaign.

> As part of a French group founded by farmers, we have a fundamental care for the countryside and the land in our DNA.

Internally, we have continued to encourage excellence in all we do, whilst prioritizing the safety, wellbeing and mental health of our employees. We managed to reduce the rate of work-related injuries by 11.3% in relation to the previous campaign, and for the second year running we were awarded the Great Place to Work seal, which guarantees

Through the commitments made together with the SBTi, the Tereos Group will be **Net Zero by 2050.**

and confirms our offices and industrial units as desirable places to work and develop a successful career.

Our recognition and appreciation of people also extends to our sustainable supply chain, since it is only with the support and collaboration of our partner producers that we can achieve our goals.

Currently, 65% of the sugarcane processed by Tereos is certified by international sustainability seals, which is a 26% increase in relation to the previous year. Each campaign, we monitor our evolution and that of our partners along a journey that is more and more sustainable.

We will also continue to make every effort to develop the technology and innovation that will allow us to take increasingly assertive decisions and generate insights that will help us along these lines.

We are able to celebrate the excellent campaign we have had with the confidence that our team has the necessary ability for us to move ahead with our contributions to the planet and people.

In this report, you will be able to read more about our initiatives concerning decarbonization, tackling climate change and searching for the right responses to the needs of society, in line with the global directives of the Tereos Group. The Company, founded on a deep connection with the Earth, and guided by its agricultural expertise, knows that the answers for the future are in our hands. I would like

to invite you all to take some time to read this report and discover more about how we are cultivating this future for everyone and for our planet.

Enjoy your reading!

Pierre Santoul,
CEO

During the 2023-2024 campaign, we achieved an unparalleled revenue of **R$ 6.7 billion** and a net income of **R$ 719 million**.

2023-2024 campaign highlights

21.1 million
tons of sugarcane processed

1.9 million
tons of sugar produced

Net revenue of
R$ 6.7 billion

Generation of
1,483 GWh
of **renewable energy**

Production of
580,000 m³
of **ethanol**

Beginning of the implementation of the **MASTER program (environmental management system)**

26% increase in certified sugarcane (Bonsucro and FSA-SAI), totaling
65%

Launch of new affinity groups:
Tereos + *Plural, Origens and Movimento PCD*

Application of localized vinasse in approximately
80%
of agricultural areas

Forestry work on almost
3,000 hectares

A record net income of **R$ 719 million**

Announcement of the new **Purpose and Values**

Receipt of the Great Place To Work Brasil seal for the **2nd time**

A reduction of **11.3%** in the rate of work-related injuries

Five actions by Tereos *Fazendo Acontecer*: **impacting more than 1,300 people**

Updating of the **materiality matrix**

First edition of **Tereos *na Área***

Raw materials:

51%

originating from our own plantations and **49% from our suppliers**

An advance of **21.3%** in our female workforce

67.8% of the entire campaign budget spent with local suppliers

59% **in general insourcing** amongst employees

80% amongst management

Highest recurring EBIT **R$ 1.3 billion**

Definition of the SBTi goals for **carbon neutrality**

Ratification of the socio-environmental requirements of **625 suppliers**

Chapter 1

How we are set up

Profile
Economic and operational performance
Value chain
Purpose and values
Materiality
Logistics
Clients
Corporate governance
Risk management
Ethics and compliance

Profile

[SASB FB-AG-000.B | FB-AG-000.C]

Tereos has head offices located in Olímpia (SP), with the Brazilian holding company NewCo Tereos Internacional (BR) Ltda. holding a 56.3% controlling corporate interest, and the French company Tereos Participations S.A.S holding 43.7%. The Group is controlled by Tereos SCA, a French agricultural cooperative, involving 11,200 members in France. [GRI 2-1 | 2-9]

We have been investing in sugarcane processing in Brazil for more than 20 years, working as a cooperative focused on nature. Over the course of our history, we have strengthened the objective of making maximum use of the agricultural raw-materials for the development of top-quality products. We are a company that is passionate about agriculture and this drives us to continually invest in the field, working responsibly and sustainably, with clear goals for both society and the environment. We operate with a virtuous model of a circular economy that places sustainability at the heart of our actions.

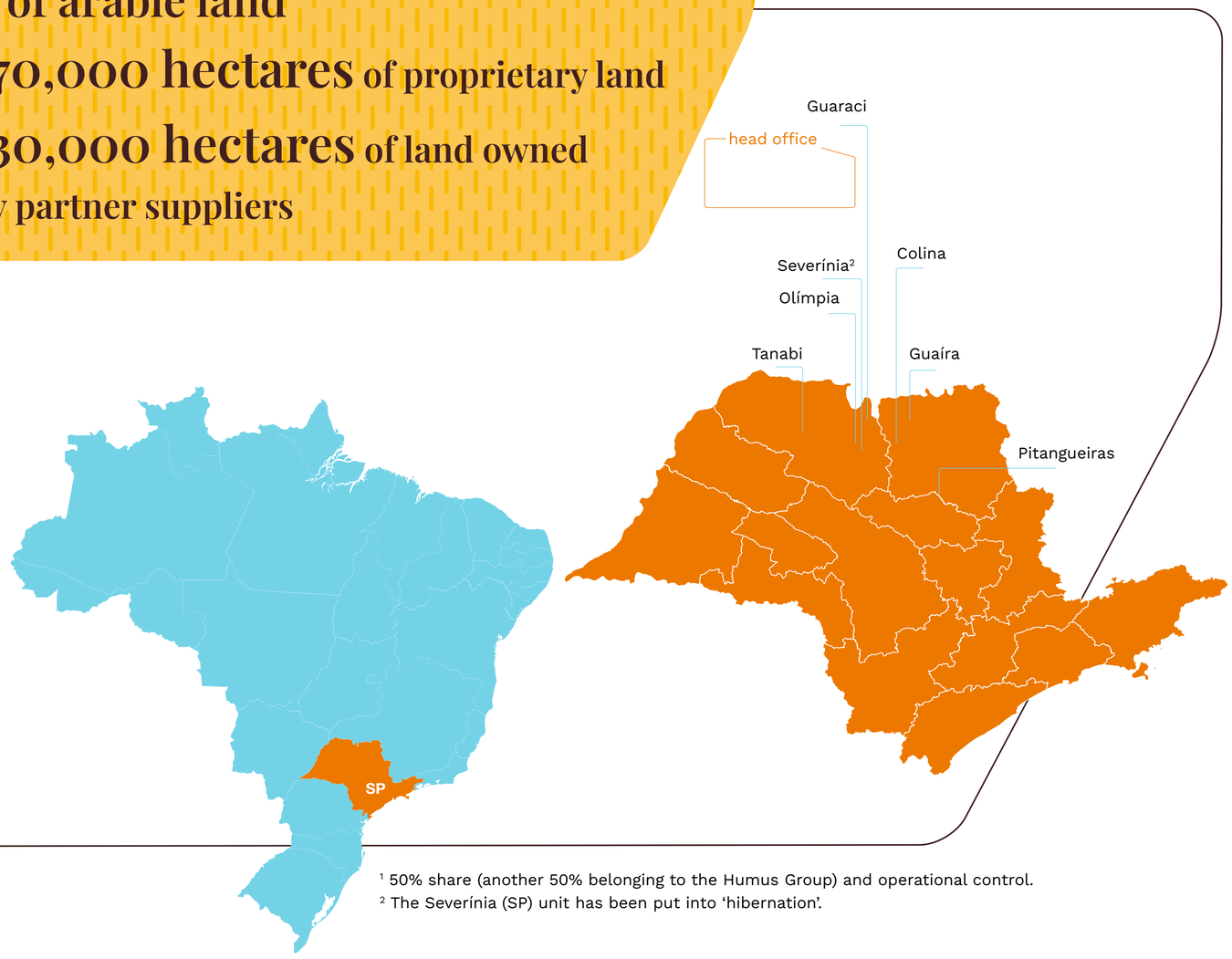
We form part of the French group Tereos, which is present in 15 countries in the form of commercial offices, R&D centers and 41 industrial installations. In Brazil, we have seven agribusiness units located in the North-East region of the state of São Paulo – Vertente (Guaraci), Cruz Alta (Olímpia), São José (Colina), Tanabi (Tanabi), Mandu (Guaíra), Severínia (Severínia) and Andrade (Pitangueiras) –, two administrative offices – one in São José do Rio Preto (SP) and another in the city of São Paulo –, and a Distribution Center in Rio de Janeiro (RJ). All of our units hold Bonsucro certification and RenovaBio, the National Biofuels Policy, which aims to reduce greenhouse gas (GHG) emissions in Brazil by increasing the production and trading capacity of biofuels (which for Tereos, means ethanol). We are one of the biggest ethanol producers (focused on the domestic market) and energy in the country.

We are committed to developing a value chain that is increasingly aligned with the needs of society, whilst respecting all socio-environmental requirements to meet the needs of our clients, suppliers, consumers and employees. We believe in our potential to contribute to socioeconomic development, whilst building a better future for future generations.

We are one of the leaders in the sugar-energy sector, occupying 2nd place in the production of sugar both globally and in Brazil.

300,000 hectares of arable land

- 170,000 hectares of proprietary land
- 130,000 hectares of land owned by partner suppliers



[1] 50% share (another 50% belonging to the Humus Group) and operational control.
[2] The Severínia (SP) unit has been put into 'hibernation'.

Efficiency and sustainable practices in the operation

We are committed to continually improving the management of our operations. As such, whenever taking a decision, priority is always given to the efficiency of the business and providing benefits to the environment and society. Aware of the increasing scarcity of natural resources and the need for innovation and collaboration in tackling climate change, we have incorporated these principles into our sustainability strategy. Every action and initiative is carefully planned to reduce our carbon footprint, promote energy efficiency, and develop innovate practices to ensure a more resilient and sustainable future.

We have established a strategic partnership with the VLI company, which operates on the North-South (FNS) and Center-Atlantic (FCA) railroads, as well as having intermodal terminals. We have sugar storage facilities at the Port of Santos and in Guará, both located in the state of São Paulo. These warehouses operate in line with our export needs, respecting the capacities agreed upon between VLI and Tereos. During the campaign, the terminals handled one million tons of sugar, 7% more than the previous year. In the domestic market, meanwhile, we transported 326,000 tons of sugar, an amount that corresponds to 17% of the total production.

Our portfolio

[GRI 2-6]

- Sugar
- Ethanol
- Renewable energy

Economic and operational performance

The 2023-2024 campaign was notable for the record production of sugarcane**– more than 21 million tons crushed, the most in Tereos' history.** The climate situation, with a good volume and distribution of rainfall, contributed to this record, as did the resilience of the plantation and the effectiveness of the activities focused on sustainable agriculture, demonstrating the importance of the conditions of the earth and climate to our operations. [SASB FB-AG-000.A]

The work of the Agribusiness Operations Center (COA) and the operations team was fundamental to maximizing our performance during the harvesting and crushing periods, contributing to the fact that the increased number of harvest days did not significantly affect the subsequent operations. The results of the period were also a consequence of the investments we made in agronomic and digital excellence, connecting all the actions to sustainability, with better land use and the generation of green energy.

Furthermore, the small average distribution radius between the units ensured a continuous supply of raw-material. This strategy increases our logistics capacity and reduces costs, ensuring that our operations are conducted at a higher and more sustainable level due to the control exercised over the consumption of fossil fuels.

Our production in the 2023-2024 campaign

Sugar
1.9 million tons

Renewable energy
1,483 GWh

Ethanol
580 thousand m³

Operational performance in figures

Total Recoverable Sugars (TRS)[1] **92%**

Overall Equipment Effectiveness (OEE)[2] **79%**

Production mix **67%** sugar **33%** ethanol

[1] Represents the product's extraction capacity
[2] Acronym referring to the general effectiveness of the equipment, which measures the yield of the operation in relation to the total potential

We registered record financial results

Net income of
R$ 719 million

Net revenue of
R$ 6.7 billion

Adjusted Ebitda
R$ 1.9 billion

Level of leverage
1.1x Ebitda

Highest recurring EBIT
R$ 1.3 billion

Value Chain

Tereos' value chain is aligned with the needs of both the business and society, respecting the socio-environmental requirements and meeting the stakeholders' interests.

Take a look at some of our main initiatives that allowed us to achieve **record results** in the 2023-2024 campaign and generate a positive socio-environmental impact:

Farming

Climate
Favorable climatic conditions, with ideal temperatures, and a good volume and distribution of rainfall

Efficient management
A continuous supply of high-quality raw-material for processing: 51% from our own plantations and 49% from our suppliers

Healthy plantations
Good agricultural management and crop handling practices, together with new technologies applied in the field

Operation
Synergy of the units with the Agribusiness Operations Center, for assertive agricultural planning and strategies

Logistics

Strategic positioning
Proximity to ports in Brazil favors the continual supply and effective distribution of the raw-material, thereby reducing costs and operational risks

Fleet
Replacement of trucks led to a 3.4 million liter reduction in the consumption of diesel fuel, with a related reduction of 9 thousand tons of CO_2

Domestic market
326 thousand tons of sugar transported in Brazil

Overseas market
We exported 1.6 million tons of sugar and 19,800 liters of ethanol

Production

Industrial efficiency
Investment in cutting-edge technology in the extraction of sugar, with a recovery final product of 97.2% in the recoverable sugar (TRS)

Production mix
[illegible] of the raw material sent for distillery, meeting the high demand from the food, beverage and cosmetics industries

Investment
More than R$ 2.3 billion in green financing, including R$ 1.5 billion in sustainability projects

Impact

Certification
85% of the company's own sugarcane production and that from its suppliers is certified for access to the California and EU markets

Management
MASTER Program: standardization of the processes and taking advantage of opportunities in sustainability

Safety
11.3% reduction in the rate of work-related injuries

Recognition
Receipt of the Great Place to Work seal for the 2nd year running, obtaining 84 points (+ 8 p.p.)

Firefighting
+ than 8,500 people impacted through awareness-raising actions and the use of technology to signpost critical areas

Communities
+ than 7,000 people reached by the Tereos Fazenda Acontecer and Tereos na Área projects

As a result of the efficiency of our operations, we achieved a **record level of processed sugarcane:**

21.1 million tons

in the 2023-2024 campaign

22% more
in relation to the previous period

Purpose and values

During the 2023-2024 campaign, the Tereos Group took great steps forward in the construction of its Purpose and Values. The aim was to give more significance to the decisions, consolidate the Group's identity and distinguishing features, define and share the values, make a connection with the stakeholders and, principally, strengthen the organizational culture across all of its global operations.

To achieve these objectives, we closely analyzed our governance, taking the opportunity to incorporate the features that define our culture, seeking stability and coherence in all our actions.

The project involved the participation of 20 ambassadors and 30 'amplifiers', who provided support in the creation of the Company's Purpose and Values. We created five collaborative groups for development of the project whilst also receiving support from a specialist agency.

Our Purpose

Cultivating a **shared future for the Earth and People** by meeting **essential daily needs.**

Our Values

BOLDNESS

Dare to propose and take the initiative to progress and meet current and future challenges.

PRAGMATISM

Act with agility, simplicity, efficiency and commom sense while focusing on concrete actions.

COLLABORATION

Demonstrate team spirit, mutual support and trust, while taking into account the challenges faced by everyone in order to find commom solutions.

PERFORMANCE

Strive for excellence by acting with a high level of rigour and responsability in order to meet your commitments.

Materiality

[GRI 3-1]

During the 2023-2024 campaign, we reviewed Tereos' materiality, three years after the previous review. This resulted in the construction of a double materiality including issues that present Financial and Socio-environmental impacts. The process involved in determining the materiality is one of the mechanisms that allows for the frequent revision of our sustainability strategy, with the aim of adapting it to a context of constant change and align it with our stakeholders' expectations.

Furthermore, this analysis of the organization's material topics also guides our efforts in the management of strategic matters, with impacts felt both within and outside Tereos, whilst also being an opportunity for us to identify any areas which could potentially be improved.

How the process was undertaken

The revision of the materiality began with the identification and classification of the Company's principal stakeholders – employees, sugarcane suppliers, clients, the financial market, insurance companies, materials suppliers, service providers, associations and organizations – taking into consideration criteria such as dependence, influence and the degree of the relationship.

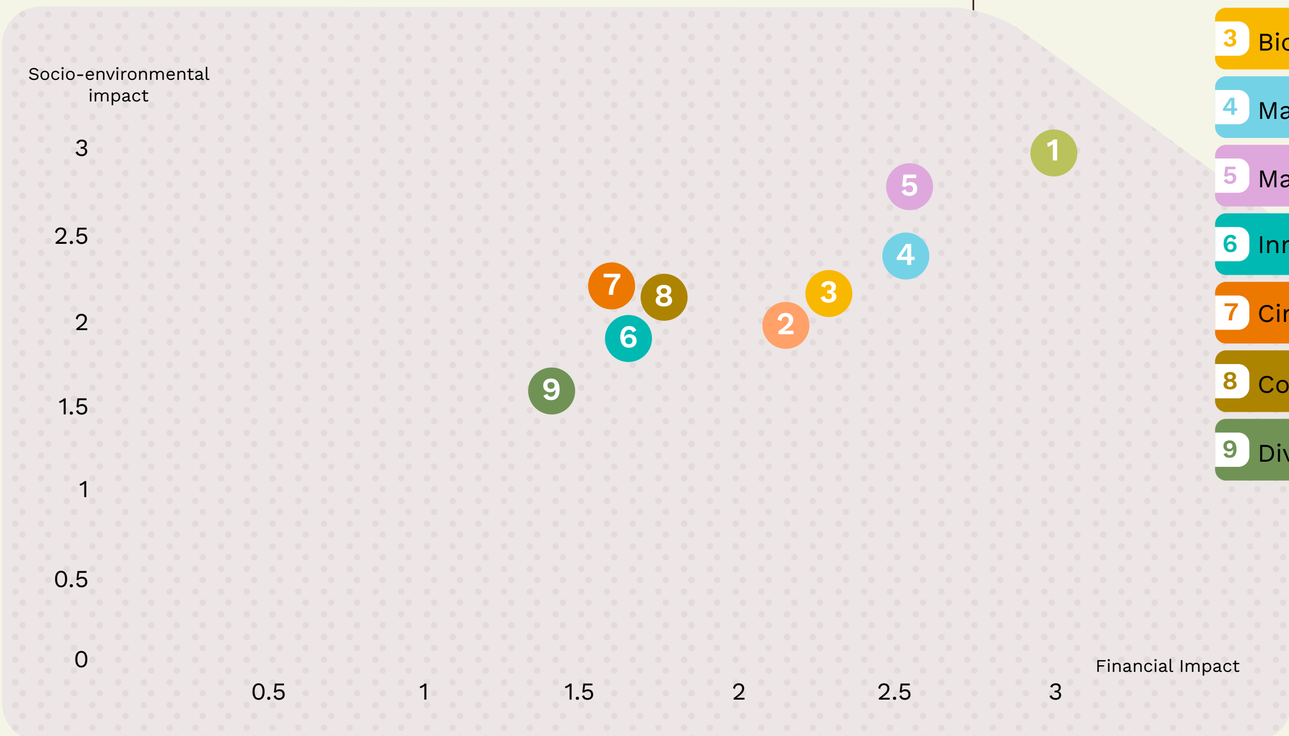
Secondary sources were evaluated for investigation of the main impacts felt in all the organization's activities and its business relations, such as internal documents and practices - annual reports, the previous materiality, analysis of gaps, and adherences over recent years – in accordance with the strategy defined and the principal indicators.

In addition to this, sustainability guidelines were also analyzed, including GRI and SASB standards, as well as the industry's materiality mapping. Benchmarking against other companies within the sector, frameworks outlining ESG aspects and the strategies adopted by other companies also contributed to the identification of themes that are of importance to Tereos and its stakeholders.

Selection of the topics included interviews with the company's leaders, online perception surveys involving 260 responses from the principal stakeholders identified, as well as working meetings with 17 internal specialists and two external specialists. The senior management approved the results.

During the approval meeting, the senior management decided that, of the topics mapped via the survey conducted with the stakeholders, another two topics should be prioritized: 'Community Relations and Local Development', and 'Diversity, Equality and Inclusion', since these topics are aligned with the organization's strategic objectives and sustainability, with the aim of working more closely with the communities and strengthening diversity.

Read more about Tereos' double materiality below:



Material Topics 2024:

[GRI 3-2]

1	Climate change and energy transition	SDGs 7 9 13
2	Health, welfare and safety	SDGs 3 8
3	Biodiversity, ecosystems and land use	SDGs 15
4	Management of water and effluents	SDGs 3 6
5	Management and traceability of the supply chain	SDGs 2 8 12 13
6	Innovation, technology and good agricultural practices	SDGs 2 8 9 12
7	Circular economy and waste management	SDGs 3 12
8	Community relations and local development	SDGs 1 4 8 10
9	Diversity, inclusion and equity	SDGs 5 8 10

Logistics

Sugar is a product that requires complex logistics both in the domestic market and for exportation. We therefore offer our clients a specialist service as a means of maintaining our high standards of quality through to the final stage of delivery.

As a result of our efficiency, **we achieved a record volume of 1.5 million tons of exported product in the 2023-2024 campaign**, with lower late shipping rates and almost 300,000 tons of this total being transported by means of containers and Break Bulk ships.

The macroeconomic context had little impact on the logistics price scenario. The start of the conflict between Israel and Hamas, in October 2023, influenced shipping and there was a consequent variation in freight costs, but this situation was soon stabilized. Another important issue for Tereos was the lack of availability of containers due to the increased volume of exports in the sector, which was also quickly stabilized.

Commercialization of ethanol

We experienced a drop in prices and a low level of demand in the domestic market, which led us to working harder on raising consumer awareness of the environmental and economic benefits of this form of fuel. In relation to exports, our commercial strategy of making advance sales to Asian clients over the course of the campaign was productive in terms of profitability, contributing to the reduction of the product's storage costs in Brazil during a period of high interest rates.

In Brazil, the **partnership between Tereos and VLI** for the transportation of cargo by means of the North-South and Center-Atlantic railroads contributed to **a reduction in emissions of around 60%** in relation to rail transport.

Campaign results

Exportation:

1.5 million tons of all the sugar produced

19.8 thousand m³ of ethanol of the 580 thousand m³ produced

Domestic market:

326 thousand tons of sugar traded on the domestic market

Clients

Commitment to customer satisfaction

[GRI 2-6]

We supply sugar to important players in the food industry, serving consumers all over the world. We serve Brazilian and international companies operating in different sectors such as food and beverages, energy, fuel distribution and animal nutrition, amongst others. As such, we are dedicated to the quality and safety of our products and constantly strive to ensure that our clients are satisfied, always promoting a culture of excellence.

Partnership and business advancement

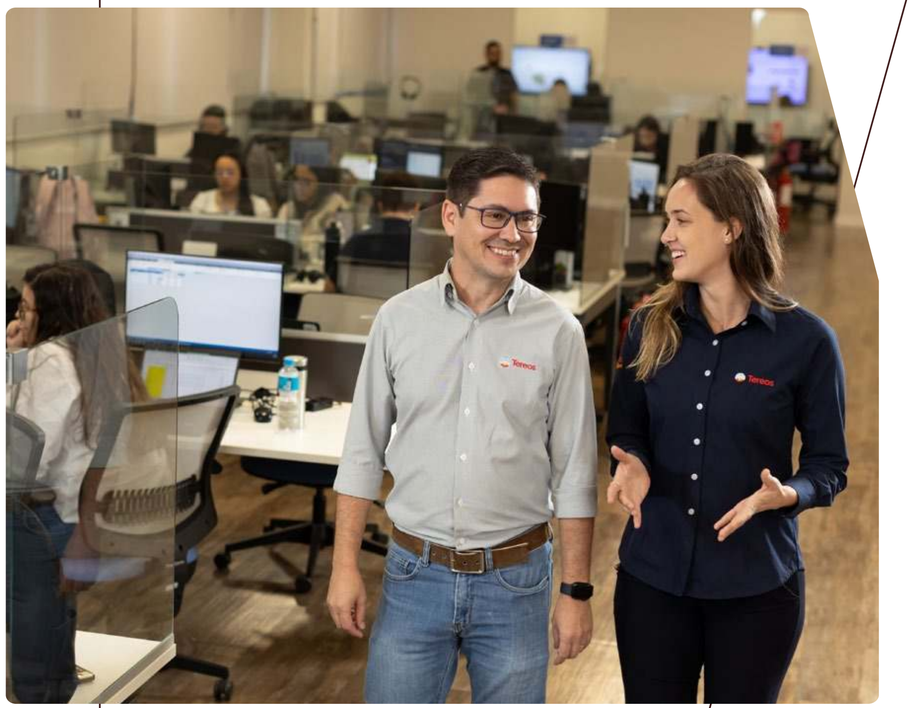
Moving forward with our certifications at Tereos is fundamental to accessing overseas markets, including commercialization for the European Union and the United States. In addition to these criteria, we operate with a form of governance that establishes firm sales standards as we strive to establish deals that will add value to our Company.

Included in our vision of expanding the relationships and the offer of services are logistics and pricing intelligence, with the latter contributing to clients having a clearer picture of sugar pricing in the market, as they receive detailed information depending upon the specific needs of each business.

We host an event designed to show our appreciation of our business relations – the *Confraria Tailor Made*. At this event, we address issues ranging from the use of sales tools to aspects of sustainability involved in deliveries, whilst also providing a moment for us to meet our partners, thereby reinforcing the importance of our stakeholders to the company.

In order to gauge the impact of our initiatives and develop actions aimed at improvement, we work on establishing the Net Promoter Score (NPS) – an indicator that demonstrates client loyalty and the likelihood of recommendation. The general NPS for the 2023-2024 campaign was 86, demonstrating that our client experience is close to the highest rates of satisfaction (between 90 and 100).

Five of our seven directors have been elected through internal hiring.



Corporate governance

[GRI 2-9]

We believe that the way in which a company positions itself in the market reflects its values and its human capital. We are constantly strengthening the culture of integrity, responsibility and good commercial practices, and we invest in the evolution of management processes, compliance and the continual improvement of our corporate governance, which significantly contributes to our competitive standing in the market and to the sustainability of our operations.

The Company's senior management is responsible for managing the company's impacts on the economy, the environment and people, with each member supervising their respective areas, through policies and practices that promote sustainable development in the operations.

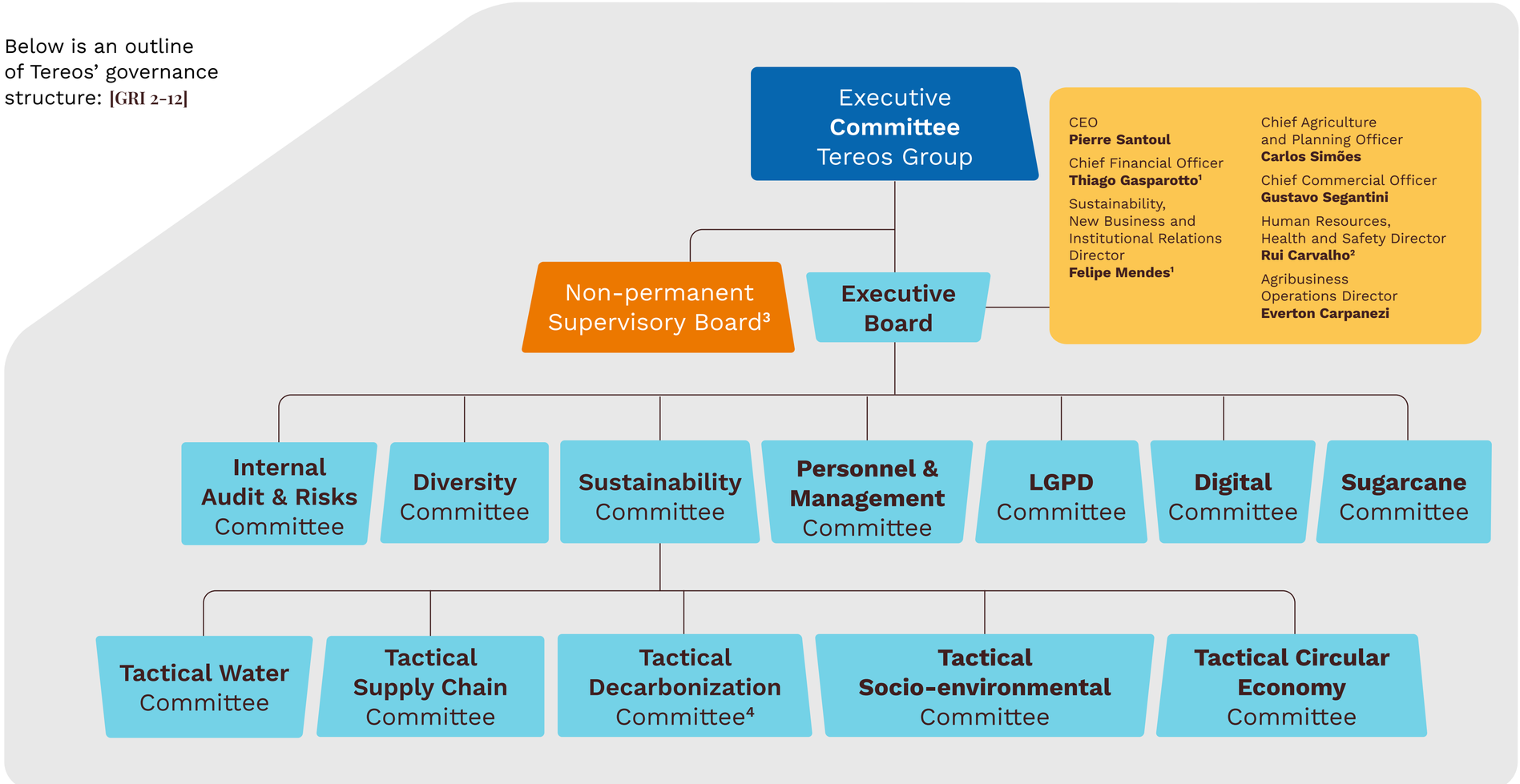
The progress and results achieved are regularly reported to the highest governing body through committees and meetings. The weekly Board meetings include time and space to share information and ideas and ensure that all the executives are kept up-to-date and engaged on the company's most important issues and directives. [GRI 2-13]

The Board of Directors is Tereos' highest governing body in its Brazilian operations, with the criteria contained in the Acquisition of Talents Policy being applied to the nomination and selection of the members. The aim of the document is to reinforce the importance of the processes being conducted transparently, in compliance with current laws, and in accordance with the guidelines of the Human Resources Executive Board, always observing the principles of impartiality and equality, with the aim of eliminating discriminatory biases through predefined hiring and selection processes.

Being a privately held company, with head offices located in France, we have our own criteria for the nomination of members. The nominations for the Board are submitted to the Global Human Resources Department and the Global Director of each department for approval. Internal selection is prioritized whenever possible. We focus on the skills, abilities and knowledge necessary for performing the role. We also take into account the needs and strategic objectives of the business. [GRI 2-1]

Each year, we evaluate the performance of the Board of Directors, with the aim of boosting the directors' potential and generating sustainable results in a variety of areas including those covering operational, economic, financial, sustainability, personnel management and socio-environmental aspects. The practices applied are in line with the Tereos Group's guidelines and, each year, financial, qualitative and quantitative goals are established for all the directors, being individually agreed between each of them and the CEO. Following the performance evaluation, individual development plans and action plans are created for each director, aiming to ensure achievement of the Company's results and development of their own personal skills, which are monitored by the CEO. The evaluation affects the executives' variable remuneration. [GRI 2-18]

Below is an outline of Tereos' governance structure: [GRI 2-12]



[1] Thiago Gasparotto and Felipe Mendes were reelected on 31-Jul-2023, as recorded in the Company's corporate documentation contained in the 31-Jul-2024 Meeting Minutes.
[2] Occupies the position as a non-statutory director.
[3] The supervisory agency overseeing the management activities, that may be installed by means of an assembly decision or at the request of the shareholders, under the terms of the law.
[4] This has replaced the Climate Change Committee.

Board of Directors – Tereos Group

The Board of Directors is committed to upholding the Tereos Group's strategy in order to achieve tangible results, whilst also being responsible for management of the cooperative. It is composed of nine members who represent the cooperative members (including up to two independent members, although only one was nominated for the 2023-2024 period).

Executive Committee – Tereos Group

Led by the General Director, the Executive Committee is delegated by the Board of Directors to lead the projects which it defines. It is composed of seven men and one woman.

Executive Board in Brazil

Tereos' Executive Board has the power to manage and represent the Tereos Group, reporting to the General Shareholders' Meeting. For the fiscal year that ended on March 31 2024, the Executive Board was made up of six statutory positions, each carrying mandates of three years: CEO; Chief Financial Officer; Sustainability, New Business and Institutional Relations Director; Agriculture and Planning Director; Chief Commercial Officer; and Agribusiness Operations Director. There is also a non-statutory position, this being the Human Resources, Health and Safety Director.

Advisory committees to the Executive Board in Brazil:

Internal Audit & Risks Committee

As well as performing a critical role in protecting the shareholders' interests and promoting the proper transparency and corporate governance, this committee is responsible for supervising the activities of the internal audit, monitoring and guaranteeing the precision and integrity of the risk management and internal controls, and ensuring full compliance with laws, regulations and policies. The committee meets on a quarterly basis. [GRI 2-24]

Sustainability Committee

Made up of the Company's senior management, this committee meets every quarter to discuss and review the progress, challenges and strategies relating to sustainability. The aim of these meetings is to ensure that Tereos is making a cross-sectional move in the direction of sustainability, identifying areas for improvement, sharing good practices and taking decisions that promote the company's sustainable development. Page 25 provides more information on the tactical committees that work to support and deploy the strategic decisions. [GRI 2-24]

Diversity Committee

This committee brings together executives from different sectors to study diversity, define proposals and implement initiatives designed to strategically promote diversity and inclusion at Tereos. The intention of the committee is to promote the issue of diversity throughout the Company, with the aim of creating an inclusive and diverse environment. [GRI 2-24] Diversity, inclusion and equity

Personnel & Management Committee

This committee was established to develop strategies and initiatives that promote personal development and the quality of life of the employees in the workplace.

LGPD Committee

This committee is responsible for strengthening the culture of personal data protection at Tereos, and for providing centralized contributions to the decision-making process, thereby minimizing any possible conflicts of interest that could exist.

Digital Committee

This is divided into the General Committee, which is responsible for discussing topics related to the general demands of the company, covering the connectivity and development of the other areas, and the Agricultural Committee, which prioritizes initiatives and develops specific projects for agricultural production and operations.

Sugarcane Committee

Agricultural productivity is a priority issue, which is why we have a group of professionals dedicated to studying and discussing the company's opportunities for improvement in this area.

Risk management

[GRI 2-24]

We believe in risk management as an important means of raising the levels of transparency and protecting the company's reputation and business, thereby strengthening our corporate governance structure. As such, we map the risks facing the business and monitor the internal controls designed to reduce any possible impacts. We also respect all the Brazilian and international legislation and regulations applicable to this area, which is demonstrated in the Code of Ethics.

In order to monitor and address the incidents related to improvements or defects in the internal controls, we have an incident control channel, and this is also used for the reporting of situations of risk. Every member of our team is responsible for transforming transparency and integrity into concrete actions, maintaining a healthy cycle for the company and all of our publics. The Channel performs a fundamental role in identifying and resolving problems and mitigating risks, thereby promoting a culture of transparency and responsibility.

We also have an Internal Controls and Internal Auditing Department, which is responsible for the independent and objective review of the effectiveness of the risk evaluations and internal controls concerning the existing processes. The department submits quarterly reports to the Internal Audit and Risks Committee [GRI 2-12]

Effective control and positive results

Tereos' Crises Management and Resolution Plan, added to our Tracking and Recovery of Products Policy, provides a fast response designed to protect the company's reputation and ensure the health and safety of the environment, products and workforce. By means of clear communication, external partnerships and regular audits, the plan ensures effective crisis management. As such, the Crisis Committee works on preparation, identification, response, recovery and learning, thereby strengthening the Company's response and continued operations.

All critical situations that occur at the Company are communicated to the Executive Board, which presents the information to the senior management of the Tereos Group. During the most recent campaign, there were no recorded cases requiring this process. [GRI 2-16]

In order to ensure the integrity of our external relations, we use complementary tools that analyze the risks involving our business partners. One of these tools evaluates any possible conflicts of interest and reputational issues, whilst another analyzes and classifies the risk that such interaction represents to the company in relation to individuals who may be politically vulnerable, international sanctions, negative media, country risk and activity risk. Whenever the risk is considered to be high, the compliance team performs an in-depth analysis to provide grounds for the decision-making.

We did not record any situations of critical risk to the business nor any new issues for the risk matrix.

During the 2023-2024 campaign, no new risks to the business were identified. We remain focused on reducing operational risks, protecting ourselves against waste and inefficiency, and reducing organizational risks.

Ethics and compliance

[GRI 2-24 | 205-2 | SASB FB-AG-430a.3]

Adhering to our commitments ethically, transparently and responsibly is one of our core values. We are always focused on improving our processes and practices, ensuring compliance with all the laws and regulations that apply to our operations, and promoting a solid culture of compliance throughout the Company.

The work performed in the area of compliance is focused on identifying risks and addressing any irregular conduct, protecting Tereos' reputation and constantly improving the good practices of governance and ethics. Furthermore, we invest in raising the awareness of our principal stakeholders by means of training sessions and discussions aimed at ensuring a solid culture of compliance. We have already trained 2,209 employees on the topic of compliance, with 551 of these individuals being trained during the most recent campaign. We also have an integrity program that involves internal regulations and policies.

In relation to the clients and suppliers, all contracts include acceptance of Tereos' Code of Ethics or a commitment to similar principles, whilst they also set forth anti-corruption, human rights and socio-environmental issues.

Tereos is also highly concerned about the prevention of possible situations involving conflicts of interest, amongst other activities. As such, we have internal guidelines and documents, such as the Code of Anti-corruption Conduct and the Guide to Good Business Practices. We also use a compliance questionnaire, which all future commercial partners are required to respond to, with the responses being analyzed by the department. [GRI 2-15]

Code of Ethics

The compliance team is also responsible for adherence to the Code of Ethics, as are other areas of the Company, all of which are committed to the continual advancement of its principles. Amongst the issues covered by the Code are: the importance of equal treatment and non-discrimination; respect for human rights; and the encouragement of compliance with legislation, regulations and internal policies.

Our Code of Ethics is designed to direct the management, employees, suppliers and third parties in complying with the principles of integrity and ethics that guide our business conduct and ensure the long-term sustainability of the business. We also communicate these values throughout our relationship network, reinforcing respect for human rights as a fundamental condition to be followed by every party involved in our business.

All those who join Tereos sign a declaration of acceptance of responsibility concerning the Code of Ethics, being required to renew this commitment annually through participation in obligatory training on the subject.

More than 9,000 employees have received training on the **Code of Ethics**, 3,814 of whom were trained either in-person or online during the 2023-2024 campaign alone.

Those professionals who have **access to the company's computers** also receive obligatory online training on **Data Protection** (797 employees received training during the most recent campaign) and **Anti-competitive Practices** (we trained 1,950 people during this same period).

We prioritize personal data security

[GRI 3-3 Innovation, technology and good agricultural practices]

We are dedicated to implementing technical and organizational measures aimed at protecting personal data, taking into consideration the issues and risks associated with their handling. Through the Code of Ethics, we also assume the commitment to protecting the data belonging to our employees, partners, clients and other stakeholders.

Our intention is to promote respect for privacy and the protection of confidential information. As such, we handle and direct all matters relating to the topic in accordance with the General Personal Data Protection Law (LGPD) – Law n° 13,709/2018. The issue of client privacy is also handled by the Personal Data Protection and Privacy Policy and by the Cookies Policy.

By means of an exclusive channel (contatolgpd@tereos.com), we can receive, evaluate and monitor any possible complaints relating to the violation of personal data – during the most recent campaign there were no cases relating to this topic. Furthermore, as required by law, we have a professional responsible for data protection (DPO – Data Protection Officer) at the company. In order to prevent any cyber-threats or malicious attacks, we have a cybersecurity department that protects the information assets, systems, computers and servers.

We have trained 2,209 employees in the handling of personal data, 551 of whom were trained during the 2023-2024 campaign.

We promote ethical and transparent behavior

[GRI 2-13 | 2-25 | 2-26]

The Whistleblower Channel performs an important role in promoting an ethical and transparent organizational culture, ensuring that any problems are handled correctly. We encourage our employees and all our stakeholders to use our Whistleblower Channel to report any concerns they may have concerning ethical conduct or compliance. The channel, which is widely disseminated both internally and externally, is available 24-hours per day, offering an independent service, and guaranteeing confidentiality and equal treatment for all users. We also guarantee anonymity to the individual making the report and we neither permit nor tolerate any form of retaliation.

The Channel can be accessed by telephone, e-mail or directly by means of an external platform. Tereos ensures that all accusations are handled independently, confidentially, impartially and with discretion, thereby promoting a secure working environment for all.

During the 2023-2024 campaign, we expanded the dissemination of our Whistleblower Channel, thereby strengthening its communication, including in areas of experience, and providing training on how to use it. During the reported period, of the 305 reports received, 262 were investigated and concluded. The other 43 reports concern cases that are still under investigation.

Whistleblower Channel

0800.424.1000

ouvidoria@tereos.com

denuncia.iaudit.com.br/sistema/tereos

Chapter 2

Cultivating a shared future for the Earth

Sustainability strategy
Decarbonization
Certifications
Environmental management
Circular economy
Sustainable agriculture
Innovation

Sustainability strategy

We are a company that creates and shares solutions for a more sustainable future by means of a strategy focused on development and the generation of value in the production chain, investing in the health of the soil, creating solutions to construct an economy without waste and appreciating the potential of our personnel. We are committed to sustainable agriculture by adopting and supporting socio-environmentally responsible agricultural practices.

Tereos is focused on contributing to a low-carbon economy through the processing of sugarcane, increasing the use of biofuels, expanding the production of clean energy, and contributing to the decarbonization of the Brazilian energy grid, amongst other actions. [FB-AG-440a.1]

Our objective is to provide results for our shareholders, financial stakeholders, clients, suppliers, employees and the community, as well as for all other interested parties. Proof of the effectiveness of our work can be found in the recognition from institutions, thereby demonstrating our dedication to the sustainability of the business. Read more about our Certifications on page 38.

Strengthening of sustainable practices

The Executive Committee on Sustainability, which involves the participation of our CEO and other members of the Company's senior management, meets quarterly to discuss issues of importance to Tereos and its stakeholders. Amongst the issues addressed during the campaign, we can make special mention of the following: carbon and the emissions inventory; socio-environmental seals and certifications; sustainable agriculture; water management; environmental compliance; and social programs. At the meetings, as well as advancing the members' understanding of the issues, the Committee also presents the sustainability performance, addresses matters relating to our strategic positioning, and identifies the risks and opportunities associated with socio-environmental factors that could significantly affect the business. It also analyzes and makes recommendations concerning our long-term objectives, monitoring the performance and the quality of our relationship with the different stakeholders. [GRI 2-17 | 201-2]

We also have a number of tactical committees, which support the Executive Committee in its decision-making, including the Supply Chain Committee, a Water Committee at every unit, the Decarbonization Committee, and the Socio-environmental Responsibility Committee.

We also have an online platform designed to monitor socio-environmental issues, covering all the agricultural land areas, including both our own and those belonging to sugarcane suppliers. This tool provides us with a better understanding of deforested areas, the Indigenous Lands, and those embargoed by Ibama (Brazilian Institute for the Environment and Renewable Natural Resources). It also allows us to check whether the sugarcane supplier is on the Ministry of Labor and Employment's Slavery Blacklist . As such, we are able to monitor the areas and take action whenever necessary.

Groundbreaking event highlights sustainable practices and aligns commitments for the future

Aiming to strengthen the culture of sustainability at our units, we hosted the first edition of the *Semana da Sustentabilidade* for our employees. Taking the form of different actions, the aim of the event was to launch the 2022-2023 Sustainability Report, and communicate messages on the theme that are key to the Company, such as the importance of the circular economy, something which lies at the heart of our business, amongst other subjects.

Below are a few of the actions undertaken during the event and the most important issues addressed:

Workshop with the leaders

This initiative focused on presenting a deeper context in relation to sustainability and the evolution of the theme over recent decades, the relationship of climate change to Tereos and how the day-to-day activities at the units affect this scenario. In addition to this, we looked at the controls and measures that have been implemented to mitigate environmental and social impacts, stressing the importance of each team along this journey.

Webinar

During the event, we shared the main initiatives and achievements of the sustainability journey traveled by Tereos. With the company leaders in attendance, we looked at how the issue can be found at each point throughout the business and how we direct our strategic decisions for the future of the Company. In order to be able to add even more to the potential of the action, employees were encouraged to make short video clips sharing tips on more sustainable consumption.

Waste panel

Focused on raising awareness on environmental issues, each of our units presented a panel showing the time or different waste to decompose, thereby increasing the employees' understanding of the issue.

Exhibition of social projects

At the São José do Rio Preto office, we put on an exhibition of toys created by our employees' children and by volunteers from the *Projeto Pescar*, using recyclable materials, thereby promoting environmental awareness amongst the participants. This activity reinforces our commitment to sustainability and community involvement, highlighting the importance of recycling and environmental education from a young age.

Almost **4,000** people were impacted.

Sustainability Plan – Goals and achievements so far

We have a sustainability agenda connected to our sustainability policy and Tereos' global strategies, that aims to add value to the business, generate a positive impact in the long-term, and establish a transparent journey for the future.

With goals through to the 2029-2030 campaign, our agenda covers all the Company's management processes, our operations, risks and opportunities, and the development of our value chain, as well as our institutional commitments, in line with the SDGs.

Below you can find information on the implementation and evolution of actions in each one of the five pillars of our sustainability strategy.

Sustainable agriculture

Objective: To combine ecologically correct agricultural practices with the economic sustainability of our producers.

KPIs

- 75% of agricultural inputs are assessed and certified as sustainable.

Status

- 65% of the sugarcane is certified (proprietary areas – Bonsucro; suppliers' areas – FSA/SAI), **meaning an increase of 26% compared to the 2022-2023 campaign.**

Protecting the environment

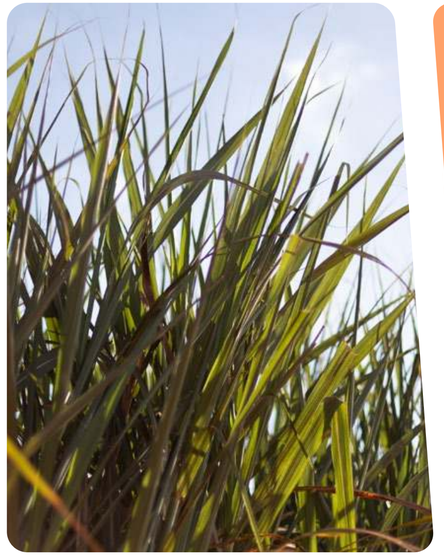
Objective: To preserve biodiversity and make maximum use of the waste from our agricultural raw materials.

KPIs

- To have at least one project focused on protecting biodiversity at each of our units.
- To continue investing to make maximum use of the raw materials, in accordance with the principles of the circular economy.

Status

- Recovery of **two headwaters** with another five in the recovery process, **involving the Tanabi, Cruz Alta, São José and Andrade units.**
- **We performed reforestation work on almost 3 thousand hectares of land** during the campaign.
- Application of localized vinasse in approximately **80% of the agricultural areas**.



Positive industry

Objective: To optimize the consumption of water and energy at our industrial units and reduce our carbon footprint.

KPIs

- To reduce water consumption (m^3/ton of sugarcane) at our industrial units by 21.5% compared to the 2017-2018 campaign.
- To ensure that 100% of the plantation fleet is fueled by biomethane.
- To insert aspects of climate change and atmospheric emissions in the decision making.

Status

- **12% reduction in water consumption** in relation to that consumed in the 2017-2018 campaign base year.
- Generation of biomethane has not yet begun, although a biogas plant remains in operation and **tests have been performed on biomethane fueled trucks**.

Responsible, healthy and quality nutrition

Objective: To be a lead partner for our clients in the reformulation and development of education programs focused on the conscientious consumption of sugar.

KPIs

- To guarantee that our sugar packaging provides the public in general with information on conscientious consumption.

Status

- The sugar packaging contains **information on nutrition and recommendations for daily amounts of consumption**.

Local development and wellbeing of our employees

Objective: To ensure the health and safety of our employees and partners.
To promote diversity and equality of opportunities, and fight discrimination.
To positively influence the communities where we operate.

KPIs

- To ensure that 17.5% of the senior management are women and women occupy 15% of the positions in the total workforce.
- To reduce the rate of work-related injuries.

Status

- **15.9% of the senior management are women** and **10.2% of the positions in the workforce are occupied by women**.
- **11.3% reduction** in the rate of work-related injuries

MASTER Program

As a means of ensuring the proper implementation and monitoring of the processes connected to sustainability, we have developed the 'MASTER' (Tereos Environment and Sustainability) Plan. As well as standardizing the procedures, the project involves good practices and opportunities for improvement, equipping the units, preventing possible undesirable impacts and providing for well-grounded decision-making, all related to the socio-environmental management of waste and the use of water. These actions involve all areas of the Company, from our operations to the strategic area.

Divided into four stages, the MASTER Plan is being implemented gradually, beginning with the communication and engagement of the employees during the 2023-2024 campaign, and mapping of the agribusiness sectors and the environmental aspects inherent to our activities, structuring and adopting the due operational control for the mitigation of impacts, whilst always being guided by the applicable legislation, with the aim of continually improving our operations. By doing so, we have been able to create interaction between all the sectors for strong results, whilst guaranteeing an increasingly more sustainable environment for the Company and all the interested parties involved.

Just one year since the program was launched, we have managed to impact 2,812 people in the industrial and agricultural areas, based upon their involvement with the MASTER Plan's tools and events designed to communicate the project.

Strategic

Sustainability strategy and policy

Tactical

Socio-environmental actions with greater reach

Management

Cross-sectional tools for good management

Operational

Environmental technical base of the operations

Green loans

[GRI 201-2]

In being committed to sustainable practices, Tereos has access to opportunities linked to the future, such as green loans – indeed, it is the first company in the sugar and ethanol sector to structure a line of green loans. The Company has already raised more than R$ 2.3 billion through this form of funding, by means of six operations linked to sustainable projects such as the first biogas plant, investments in the production of ethanol, encouragement of the use of clean fuels and energy, and the reduction of GHGs. We are always looking for sustainable alternatives for our structured financing operations, with approximately 50% of our total bank debt being tied to sustainable funding.

Amongst these operations, the Company has already received two Sustainability Linked Loans, including one operation at the Vertente Mill. These loans total more than US$ 250 million, involving eight different banks and covering a five year period. The agreements are tied to sustainability goals and involve four key indicators: the reduction of GHG emissions, reduction in water consumption, an increase in the percentage of certified sugarcane used in the operations, and a health and safety goal (total rate of occurrence of accidents).

The green loans tied to the sustainability goals total more than US$ 250 million, and cover a funding period of five years.

Decarbonization

[GRI 3-3 Climate change and energy transition]

The Tereos Group works on behalf of sustainable agriculture. We have been committed to the FLAG[1] decarbonization approach developed by the Science Based Targets initiative (SBTi) since 2022, as well as to a resilient agricultural method involving low carbon emissions, and **we are the first company in Brazilian sugar and ethanol sector to align our goals with the SBTi[2].**

In line with this commitment, we are seeking opportunities to improve our performance through operational indicators and the way in which our products can generate value. Along these lines, we have begun reporting the sustainability objective indicators as part of the module used for financial statements, using a structure that allows for the greater traceability and auditing of information.

Our ambitions

During the 2023-2024 campaign, the Tereos Group announced an ambitious new commitment to decarbonization: **to reduce the greenhouse gas (GHG) emissions throughout the entire value chain, from the fields to the finished products, by 2050**.

To achieve this goal, the Group has interim goals in place for the 2032-2033 campaign. One of these goals is related to finding a resilient agricultural model involving low carbon emissions. In this sense, the aim is to reduce the GHG involved in its agricultural activities by 36% (in relation to 2022-2023) by the 2032-2033 campaign.

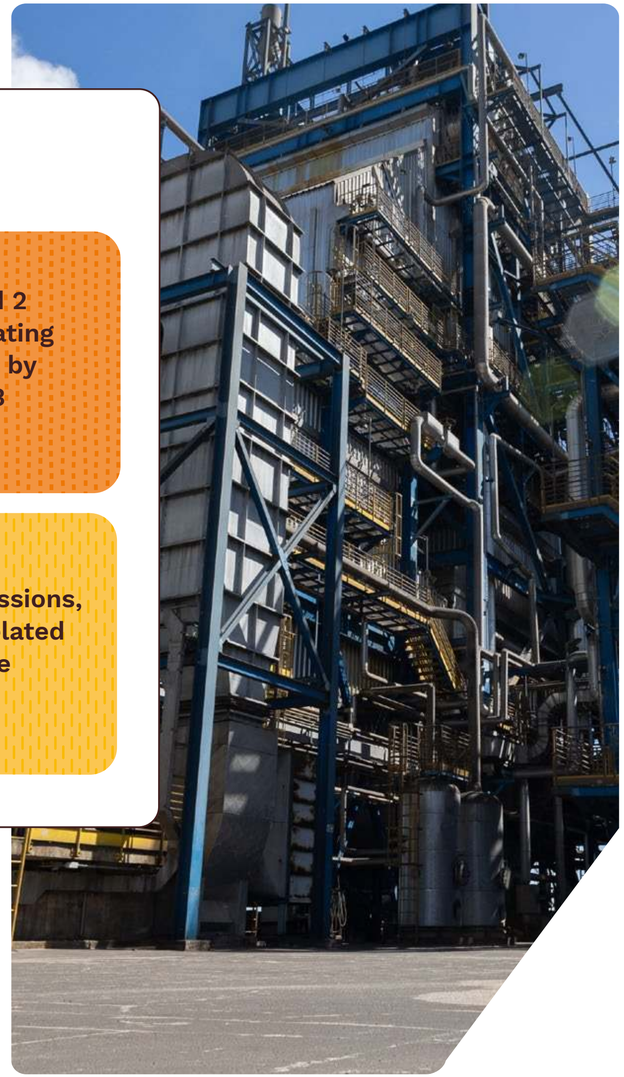
The Tereos Group's goals

To reduce the GHG emissions throughout the entire value chain, from the fields to the finished products, by 2050;

To reduce Scope 1 and 2 carbon emissions, relating to industrial activities by 50% by the 2032-2033 campaign;

To reduce the Scope 1 and 3 emissions relating to FLAG (Forest, Land and Agriculture)[3] by 36% by the 2032-2033 campaign;

To reduce Scope 3 emissions, in non-agriculturally related activities by 36% by the 2032-2033 campaign.



[1] Forest, Land and Agriculture.

[2] A global initiative designed to mobilize the private sector in relation to climate change and limit global warming to 1.5°C, this being the result of a partnership between the United Nations' Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

[3] A requirement for companies with emissions arising from the use of representing more than 20% of their total emissions.

Actions focused on the future

To contribute to achieving our decarbonization goals, we are developing a number of different strategies in Brazil, focused on replacing fossil fuels with renewable alternatives. Amongst these initiatives, the study of solutions that allow for the use of biomethane in our operations is an important measure being taken to reduce our carbon footprint.

Alongside this initiative, we are improving our acquisition practices to include low emission fuels and alternatives, a practice which is reinforcing our transition to a low-carbon economy.

Innovation in our fleet of trucks

Beginning in the 2024-2025 campaign, and based upon an innovative operational performance test at the Cruz Alta unit, involving vehicles from the five leading vehicle manufacturing companies, we will be implementing different improvements in our fleet, providing greater efficiency and reducing emissions.

The test involved

Monitoring consumption and availability

Evaluation using driver perception, performance (semi-trailers and double semi-trailers) and unavailability (maintenance time) metrics

The results achieved

172,000 km traveled, transporting 300,000 tons of sugarcane, on 3,277 journeys

165,000 liters of diesel and 13,000 liters of Arla (Diesel Exhaust Fluid) consumed

10% reduction in carbon emissions

The differentials

Use of S-10 diesel in all vehicles, meaning less sulfur, and **better engine efficiency and performance**

Motor Euro 6, a system that is in line with European Union regulations, establishing a **maximum limit on the emissions** of nitrogen dioxide and particulate matter

In the 2023-2024 campaign, by means of different initiatives, we managed to reduce the consumption of diesel in our trucks and agricultural machinery by more than 3.4 million liters in relation to the previous year, meaning a 9,000 ton reduction of CO_2 during the period. [GRI 201-2]

Localized application of vinasse

Another action focused on decarbonization was the expansion of the localized application of vinasse, a technique that optimizes the use of byproducts and nutrients, that now involves approximately 80% of our land areas. On the remaining areas. we have replaced conventional granular fertilizers with special fertilizers that employ a technology that controls the release of nutrients.

In relation to future actions, we are also studying the green fertilizers market, which involves using renewable energy in the fertilizer production methods, thereby reducing the carbon footprint and encouraging a more sustainable form of agriculture. We are also looking at the application of biochar, which can improve the quality of the soil, through the retention of water and nutrients, potentially reducing the need for mineral fertilizers.

We are also implementing advanced methods for the prevention and control of fires – one of the leading sources of carbon emissions in our operations. These actions aim to reduce the frequency and intensity of these events, protecting our lands and contributing to socio-environmental preservation. Read more on page 45.

Furthermore, with respect to the monitoring of Scope 3 emissions, we are committed to constantly and progressively supporting our partners in their transition to low carbon agricultural practices. Our aim is to offer guarantees to encourage them to make a commitment to the decarbonization of their activities, just as we have done.

Since 2023, we have accelerated our investments as a means of preparing ourselves for the future, with projects already under development for the coming cycle (2024-2025). By doing so, we are evolving with each passing campaign, with the operations, supply and sustainability teams, amongst others, studying and planning strategies for the reduction of our impacts on the environment in the short, medium and long-terms.

How we monitor our emissions

[GRI 3-3 Climate change and energy transition | 201-2]

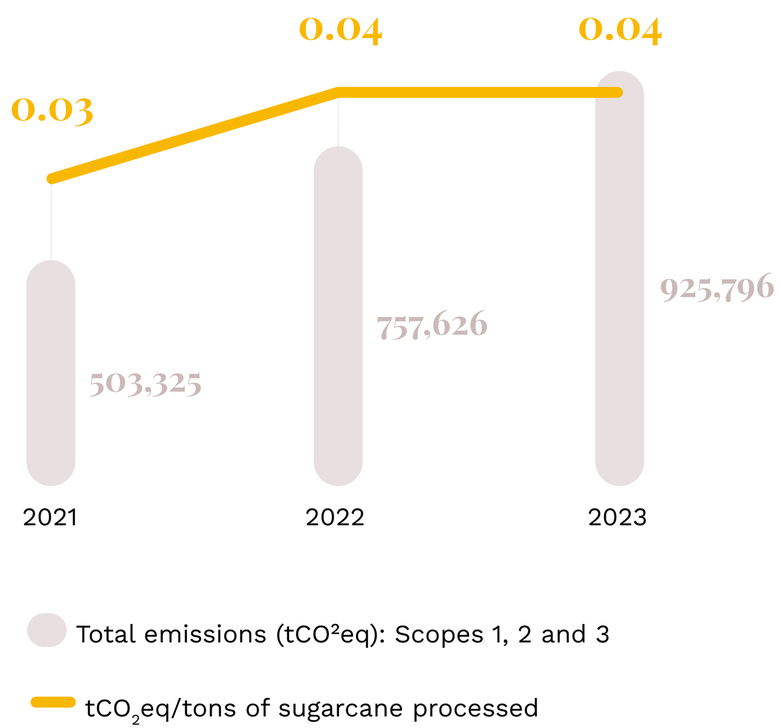
It is essential that Tereos is able to manage and mitigate its GHG emissions and air pollutants, since climate change directly influences the nature of the business. We are aware of the socio-environmental impacts caused by our operations and are committed to mitigating these effects through the employment of sustainable practices.

Over recent years, we have increasingly been investing in processes and technologies that contribute to the reduction of emissions. We are constantly managing climate risks, and we are aware of the opportunities that lead us to consider a future offering significant and positive results for the Company, the environment and society.

Each year we develop an inventory relating to our emissions, based upon regulations and policies such as those published by the Intergovernmental Panel on Climate Change (IPCC) and the Brazilian GHG Protocol Program, as well as ISO 14064-1. The monitoring of the calculations and results obtained in the carbon inventories of our mills guides our efforts to find means of improvement, and evaluate the risks and opportunities involved in the reduction of emissions. **[SASB FB-AG-110a.2]**

Total emissions[1]

[GRI 305-1]

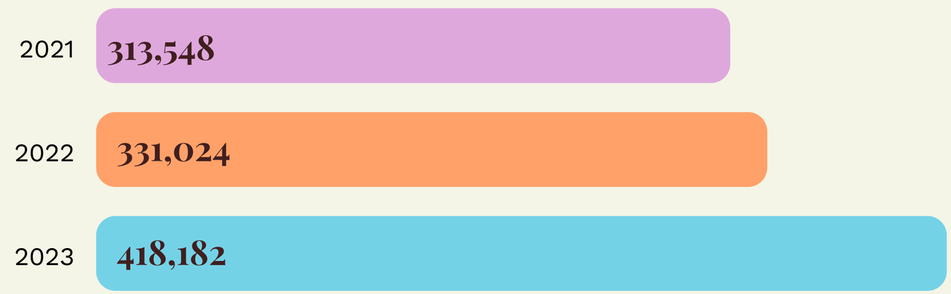


Biogenic emissions[1] (tCO_2e)

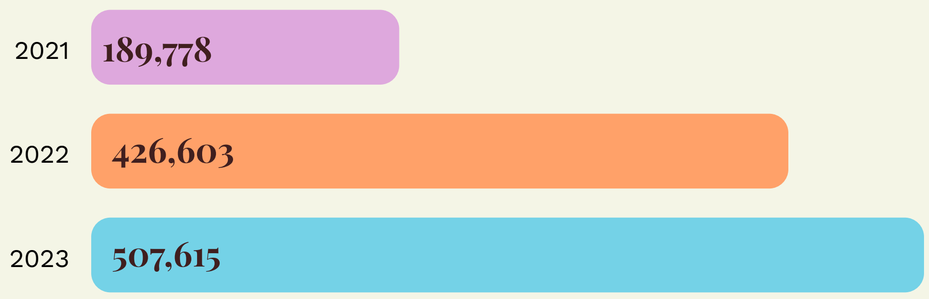
[1] The greenhouse gas emissions inventory is performed using the calendar year. As such, the reporting of the indicators relating to the emissions is based upon the calendar-year, which is different to the other indicators which are reported using the campaign.

Even considering the significant increase in the production of sugarcane in the 2023-2024 campaign, **the intensity of GHG emissions remained stable at 0.04 tCO_2eq/ton**, reflecting efficiency in the management of emissions.

Scopes 1 + 2 [1,2,3] (tCO_2eq)



Scope 3 [1,4] (tCO_2eq)



[1] The greenhouse gas emissions inventory is performed using the calendar year. As such, the reporting of the indicators relating to the emissions is based upon the calendar-year, which is different to the other indicators which are reported using the campaign.

[2] In Scope 1, wildfires have come to be included amongst the agricultural emissions, having previously been classified as biogenic emissions. As well as the emissions associated with the increased production, this inclusion also had an effect on the increased amount of emissions. [GRI 2-4]

[3] In Scope 2, the energy calculation methodology was adjusted to bring it into alignment with the corporate standard, which considers the gross flows of electricity without offsetting between the different types of flows (entries and exits). As such, the electricity taken from the grid was categorized as indirect emissions in Scope 2, whilst the electricity generated using bagasse was classified as a direct emission in Scope 1. [GRI 2-4]

[4] In Scope 3, the domestic sugar and ethanol market was added to the emissions within this scope. This inclusion has allowed for a more comprehensive evaluation of the indirect emissions associated with the value chain, from the production to the distribution of these products. [GRI 2-4]

Read about the emissions data in more detail in the Annexes on pages 97 and 98.

Solutions for energy production

[GRI 302-1 | SASB FB-AG-130a.1 | FB-AG-110a.3]

Read more about our energy management results in the Annexes on page 96.

At Tereos, we are self-sufficient in terms of electricity generation, actually producing more than we consume, with 100% of this production coming from a renewable source. As well as the sustainable electricity generated using sugarcane biomass, we also manage to contribute to a cleaner energy grid through the supply of ethanol, a biofuel that emits fewer GHGs than gasoline.

Sugarcane currently accounts for almost 20% of the Brazilian energy grid[1], with ethanol being capable of reducing GHG emissions by 90%[2] when compared to gasoline. Another important statistic for the sector is that over the last 20 years the farming of sugarcane and the use of ethanol in Brazil has eliminated approximately 9.8 million tons of CO_2 in the atmosphere per year.

Within this context, Tereos has been closely monitoring the national regulatory scenario, especially Bill of Law nº 528/2020, concerning 'future fuels', since this will have a direct impact on our operations considering that it demonstrates the development of the biofuels sector in the country.

Our performance

During the 2023-2024 campaign, we generated 1,483 GWh of renewable energy. Of this total, 40% was used in our own operations and 60% was exported to the national grid (for commercialization and donation). During the off-season periods, when there is no milling, we consume energy from the grid, but with the guarantee that this energy is renewable, since we purchase it from sources considered to receive tax incentives (in accordance with REN 1009/2022 Aneel, that defines tax-deducted types of energy source, or in other words, it is drawn from clean renewable sources).

We have also invested in new technologies to make our production more efficient, with one of these being the biogas pilot plant (using gas arising from the biodigestion of vinasse) at the Cruz Alta unit (Olímpia/SP), which generates renewable energy and has an installed capacity of 1 MW.

For more than 10 years, we have been donating part of the generated surplus to partner institutions, such as the Hospital de Amor, in Barretos (SP). In the 2023-2024 campaign, 1,050 MWh was donated to the Hospital. [GRI 203-1]

[1] Source: 2021 National Energy Balance.
[2] Source: Sugarcane and Bioenergy Industry Union (Unica).
[3] Source: Study performed by Unicamp, Embrapa and Agroicone.

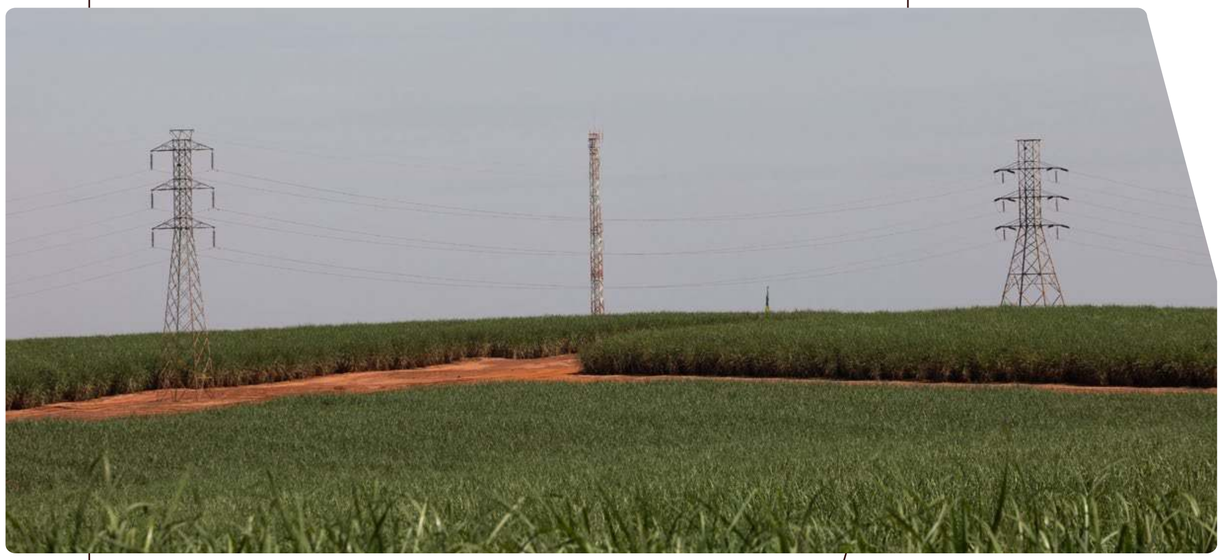
Free market

The excess energy, around 60% of what we produce, is exported to the Free Energy Market (ACL) to be traded or donated directly to final consumers, and to the Regulated Contract Market (ACR), to be included in auctions offered by the government. We hold certifications connected to renewable energy, such as the Green Energy Seal, awarded by the National Union of Sugarcane Industries (UNICA) and the **International REC Standard (I-REC)**, the global system that allows for the trading of renewable energy certificates. Since it is not possible to be able to obtain double certification, some of the units hold the Green Seal, whilst others hold the I-REC certification. Read more on page 39.

In the 2023-2024 campaign, in order to meet the country's growing demand, we registered ourselves with the Electricity Commercialization Chamber (CCEE) to operate in the retail category of the Brazilian free energy market. With the certification from the CCEE, we moved into a new market, offering yet another opportunity for our clients in the energy segment, now operating in the area of retail trading. In practice, the company is now available to offer energy directly to small and medium-sized businesses that are connected to the high voltage grid, such as stores, hotels and small industrial companies.

We expect that, in the short/medium-term, around 10% of our annual production volume will go towards meeting this new demand. The advantages to the client range from a reduction in energy spendings to the promotion of sustainability, through the acquisition of clean and sustainable energy.

The consumers also benefit through the increased predictability of costs, whilst also contributing to the decarbonization of their businesses.



First electric station for electric cars

In partnership with Tenda Atacado and Volvo Car Brasil, the aim of the project is to contribute to the diversification of the energy grid and increase the importance of the investment in solutions designed to promote the use of renewable energy in the country, making this possibility more of a reality for the end consumer. The first electric station was installed at the Ceasa do Tenda unit, in Campinas (SP). We are expanding the project to include the company's partner concert venues in São Paulo, such as Espaço Unimed and Villa Country.

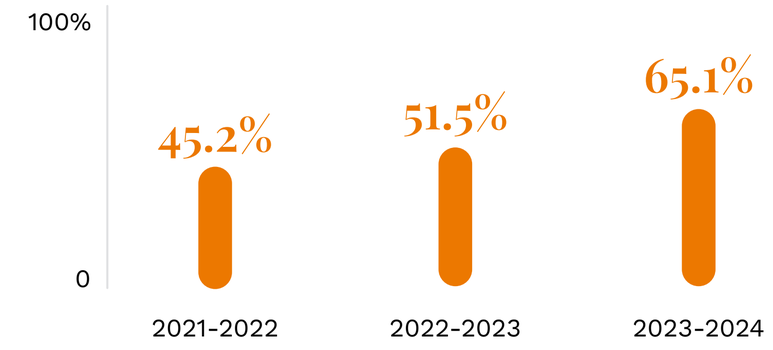
Certifications

The recognition of sustainable practices reinforces our commitment to the planet, confirms the quality of our products and the effectiveness of our business, meaning that we stand out in our segment, with the highest standards of sustainability.

100% of the sugarcane we produce is certified, with the firm engagement of our partner suppliers, who are increasingly coming to recognize the benefits of environmental compliance in the reduction of risks and the increased funding possibilities, amongst other opportunities relating to sustainability.

As well as attesting to the responsible practices of our operations in compliance with Brazilian and international laws, and to the guaranteeing of human and labor rights, the certifications also evidence the fact that our management processes and practices promote responsible, socially beneficial and economically viable environmental management.

Certified sugarcane (%)[1]



[1]The percentage takes into account our own sugarcane and that acquired from suppliers.

Evolution of the certifications 2023-2024

The **Bonsucro certification** at the Tanabi unit, meaning that all of our units are now certified with this seal.

EU Bonsucro certification at the Mandu unit, expanding the possibility of exportation to the European market (the unit already holds the Bonsucro certification).

CARB certification at the Vertente plant.

Advancement in the evaluations performed by the FSA/SAI (Sustainable Agricultural Initiative) platform, guaranteeing good production practices and sustainable agriculture principles – nine new suppliers of raw-materials were certified meaning they joined the nine partners already certified. We recorded a 50% evolution in this indicator.

With the new certifications, the potential has opened up for Tereos **to export up to 102,000 m³ of anhydrous ethanol** to the European market, and **up to 72,000 m³ to the Californian market**.

All of Tereos' certifications

Units	Bonsucro	Bonsucro EU RED	I-REC	FSSC 22000	FSA-SAI Platform	Kosher	Halal	Green Energy Seal	RenovaBio	SMETA SEDEX	CARB	GMP+FSA	The UN Global Compact	Green Ethanol	EPA
Cruz Alta	■		■	■	■	■	■	■	■	■			■	■	
Tanabi	■		■				■	■	■		■		■	■	■
Mandu		■	■		■		■		■			■	■	■	■
Vertente		■			■		■	■	■	■	■		■	■	■
São José	■		■		■		■		■				■	■	
Andrade		■			■	■	■	■	■	■			■	■	■

Environmental management

Operating in compliance with environmental regulations results in gains for the environment and greater productivity for our business. The investments made in innovation provide us with the ability to efficiently draw the maximum amount of benefits from the sugarcane, promote the circular economy by applying it in a variety of different ways, and offer a top-quality product to an expanding range of markets.

Conservation and careful use of water

[GRI 3-3 Water and wastewater management]

Water forms the basis of our production process, and we fully recognize both its value and the increasing scarcity of this precious resource. We are committed to the sustainable management of water, implementing conservation practices and hydro-efficiency in every step of our operation. We are continually seeking means of reducing water consumption, guaranteeing the sustainability of water resources and protecting this vital resource for future generations.

Tereos has made a firm commitment to increasing the efficiency of its water use. As such, we have established a goal to reduce the amount of water withdrawn by 21.5% per ton of sugarcane by the 2029-2030 campaign, in relation to the 2017-2018 campaign. In order to monitor the management of this resource at the units, we have established a tactical committee (providing support to the Executive Sustainability Committee), involving the participation of the industrial managers from all areas of the Company.

Investments in the improvement of processes

We are committed to pursuing best practices in relation to reuse, and the reduction of consumption and withdrawal, with all our practices having received the backing and authorization of the environmental water management organs. We perform periodic evaluations of the water management process and, through the application of all

these actions, we are managing to reach the internally defined goals on our journey to achieving our commitments by 2030.

In order to monitor and manage the use of water more efficiently, all the points of withdrawal contain leak gauges, and the data are monitored by a specific team, allowing us a precise understanding of the consumption and identification of possible irregularities or over-consumption. In the regions where the units are located, the supply of personnel is always a priority, ensuring our commitment to human rights.

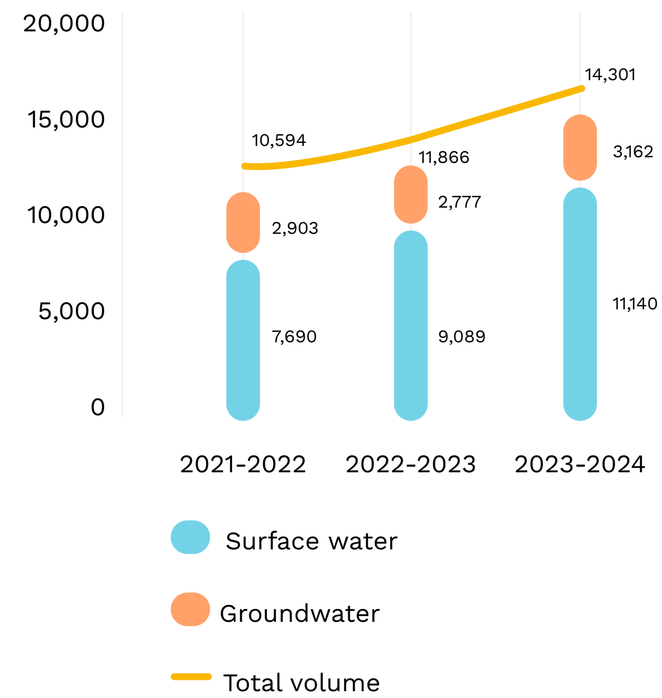
During the 2023-2024 campaign, we withdrew 14,301.27 liters of water, 78% from surface sources and 22% from ground sources. There was a 20% increase in relation to the previous campaign, due to the 22.3% increase in sugarcane production.

The amount of water per processed ton was 0.677 liters. Despite the total consumption having risen, the water use efficiency improved compared to the 2017-2018 base year. However, we were unable to hit our goal of a 12% reduction for expected consumption in the campaign.

By means of the MASTER Plan, during the most recent campaign, we completed the evaluation of environmental aspects and impacts in all those areas that interact with water in any way,

Volume of water withdrawn per source (thousand liters)

[GRI 303-1]



Read more about our water management results in the Annexes on page 93.

with the aim of guaranteeing the proper governance of the matter, involving tactical, management and operational analyses. [GRI 303-1 | SASB FB-AG-140a.2]

How we treat wastewater

[GRI 303-2]

At Tereos, we withdraw water from ground and surface sources, treating it before using it in the industrial process and for human consumption. Once it has been used in the industrial process, it becomes wastewater, which can be used to clean floors and equipment or reused in the process.

In relation to the discharging of wastewater, each unit holds specific authorization from the environmental authority, thereby complying with the legislation passed by the National Environmental Board (Conama) and Decree nº. 8,468. The minimum standards established for the quality of the wastewater discharged are in compliance with the applicable legislation.

The value of preserving and conserving land areas

[GRI 3-3 Biodiversity, ecosystems and land use | 304-1]

We are committed to supporting and undertaking projects aimed at the recovery of permanent preservation areas, which consequently means caring for headwaters. In this report, we are including the material topic of Biodiversity for the first time, thus reflecting the increasing attention we are paying to the conservation of the ecosystems in which we operate. There are five headwaters that are currently in the recovery process, whilst the work on two has already been completed.

The recovery initiatives are performed on the company's own lands, as well as those of partners, suppliers and the publics neighboring our units.

To expand this work, we also participate in the region's Drainage Basin Committees, monitoring and contributing to discussions on water management. The micro-water basins where the company has operations are: Córrego do Cervo, Rio Pardo, Ribeirão do Turvo, Córrego do Capim, Rio Grande, Rio Turvo, Ribeirãozinho and Rio Preto.

Olhos D'água program

This program aims to restore headwaters located in the drainage basins of the region. By means of reforestation plans in the regions with natural springs, we have enabled favorable conditions for rainwater to filter into the soil, resulting in an improvement in its quality and more water being made available for the region.

Through the Olhos D'água Program, we are managing to combine the preservation of ciliary forests with the recovery of water, principally in the regions that supply the public, with the program contributing to our surface withdrawal, whilst being expanded to benefit a number of municipalities. The project also aims to ensure the environmental regularization of the Permanent Conservation Areas (PCA) in the region, promoting greater engagement amongst the landowners. As well as ecologically restoring the headwaters and protecting them, the initiative cares for habitats occupied by the regional fauna. The joint CPA recovery actions focused on streams and rivers with headwaters are providing an ecological corridor for the animals. [GRI 3-3 Biodiversity, ecosystems and land use | 203-1 | 304-3]

Advances in waste management

[GRI 3-3 Circular economy and waste management]

By means of the MASTER Plan, we analyzed all the processes of the industrial and agricultural sectors in the 2023-2024 campaign and investigated all the environmental aspects and impacts relating to the issue. The continual improvement of the creation, analyses and development of data for all of Tereos' waste management is an initiative that has been restructured over recent campaigns, with the aim of achieving better long-term results.

We prioritize reverse logistics to avoid the generation of pollutant waste – principally that involving IBC packaging (used for large volumes), agricultural pesticides and vehicle batteries – and in the plastic and paper packaging of our products for the end consumer. [GRI 306-2]

We comply with all environmental legislation, from generation to disposal, in accordance with the established directives, for the correct control of waste and toxic substances, with the aim of protecting the environment and promoting sustainable development.

The Brazilian National Solid Waste Policy (PNRS) has set a goal of 30% as the amount of solid waste that should be involved in reverse logistics programs, aiming to ensure that the packaging of the products traded on the retail market forms part of the circular economy, being correctly sent for recycling, and reducing the impact caused by this form of waste.

Tereos has established a partnership with an institution that is strategically aligned with our business, being expert in the organization, infrastructure and productivity of the recycling chain in the country. In order to ensure that the waste disposal service providers are in full compliance with all legal and contractual obligations, we verify their documents during the ratification process of contracting these companies. [GRI 306-1 | 306-2]

Treatment and disposal of materials

We prioritize selective waste collection in all areas of the Company – industrial, administrative and support (laboratories, restaurants, etc.). All our trash cans are labeled for the separation of materials and we have an outsourced company which handles the collection and screening at our waste centers and scrap metal yards. All the material collected is directed to partner companies for environmentally correct disposal, be it co-processing, recycling, re-refining, composting (organic waste is used in gardening), or forwarding for disposal in sanitary landfills.

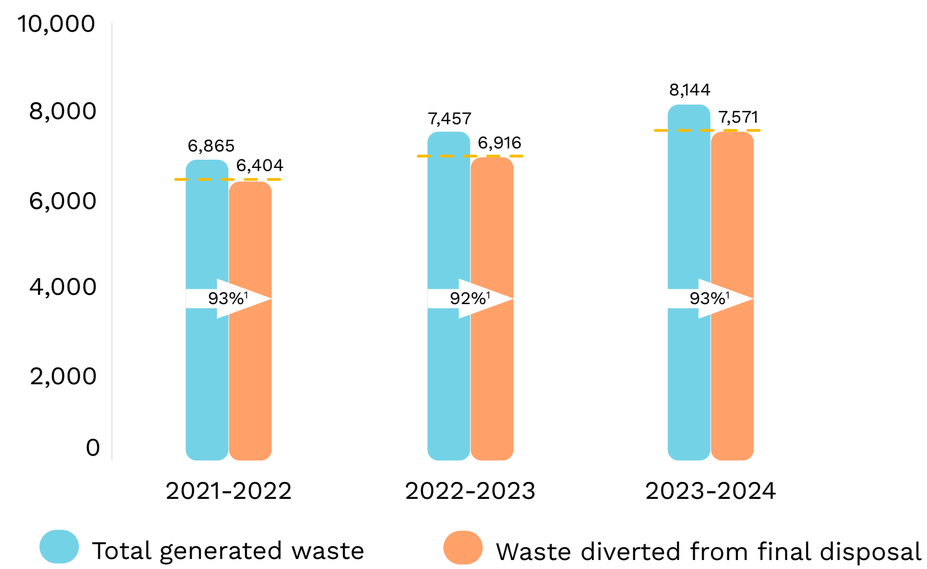
By means of this system, we are able to perform weekly monitoring of the exit of the waste with all the data being duly tracked. Furthermore, part of our process involves requirement of the Certificate of Final Disposal ('CFD'), a document

Read more about our waste management results in the Annexes on page 94.

At the end of 2023, we began a **project that aims to map the generation of waste in all areas of the industrial units**, thus creating a means of tracking it from the moment it is generated. We are therefore beginning to develop an understanding of how we can act directly to be able to reduce the generation of waste, with actions tied to the 5 Rs: rethink, refuse, reduce, reuse and recycle. [GRI 306-2]

Waste generated[1] (tons)

[GRI 306-3]



[1]Percentage of waste diverted from final disposal.

that proves that the volume of waste generated by Tereos has been received by a duly licensed disposal company and is following the environmentally correct disposal process. This documentation is essential for the auditing processes.

Preservation of biodiversity

[GRI 3-3 Biodiversity, ecosystems and land use]

During the process undertaken to review our materiality, biodiversity was one of the topics which our stakeholders considered to be a priority. Aware of the impacts of this issue on the operations and being committed to guaranteeing responsible operations, Tereos has developed a series of measures focused on the preservation of biodiversity. We are on a continuous journey of evolution regarding this topic, and we expect to be able to report significant progress in our future reports. [GRI 2-304]

In the most recent campaign, as part of our Apiculture Project, we have performed a series of actions focused on raising awareness regarding the importance of bees. The Project aims to develop a habitat for pollinators, with a focus on protecting the bees and opening dialogs between the farmers and beekeepers in the regions neighboring our units.

These initiatives are aligned with our strategic decision to make biodiversity one of Tereos' material topics, reinforcing our commitment to the protection of ecosystems. We provide special environmental education workshops in schools in towns in the region such as Tanabi, Olímpia, Guaraci and Barretos, by means of a partnership with the Kombee Project. This project involves a specially-adapted VW van that travels around the country raising public awareness of the importance of bees to agriculture and the environment, using stingless bees native to Brazil.

During the same period, in support of the initiative, we inaugurated a 'Bee Hotel' in the Tereos' tree nursery, located at the Cruz Alta unit, in Olímpia.

We have had a tree nursery supplying reforestation in operation for 10 years

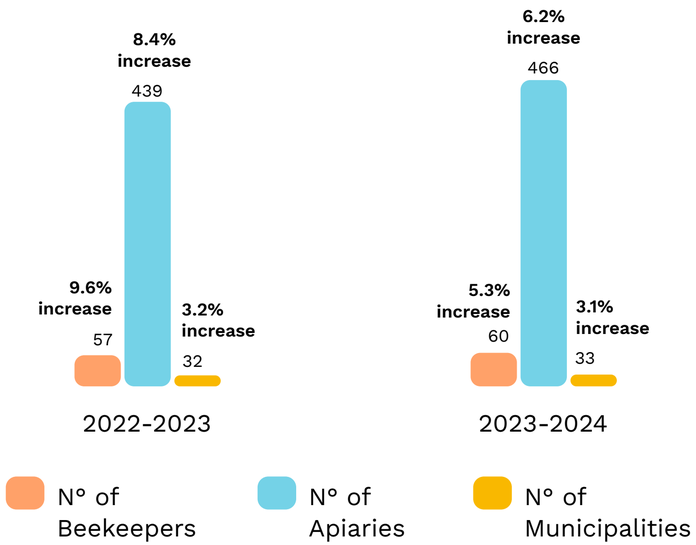
With an annual production capacity of up to 150,000 native species saplings, our nursery is located at the Cruz Alta unit, in Olímpia. Since 2014, more than one million saplings, including approximately 80 native species, have been produced. These saplings are sent for reforestation, recovery of headwaters and the company's environmental projects. The saplings are also distributed amongst suppliers, partners, environmental organs and municipal governments in the regions where we operate.

Through the Olhos D'água Program, we plant these saplings on damaged lands belonging to both the company and to partner suppliers, with the aim of restoring headwaters. To do this, we count on partnerships with the local community, public organs and our employees. Read more about the project on page 42.

As a means of reinforcing the importance of diversity and inclusion in our agricultural operations, we have a reforestation team made up entirely of women. Read more on page 61.

The Bee Hotel consists of a wooden structure in the shape of a honeycomb that provides a home for native bees. As part of the inauguration, a workshop was offered by educators from Kombee for young people from the *Projeto Pescar* – a professional training program which the Company offers to adolescents in the region.

At present, the Apiculture Project has 466 mapped beehives and 60 registered beekeepers, operating in 33 towns neighboring our operational units. Below you can see the evolution of the Project in recent years:



Consistent control of wildfires

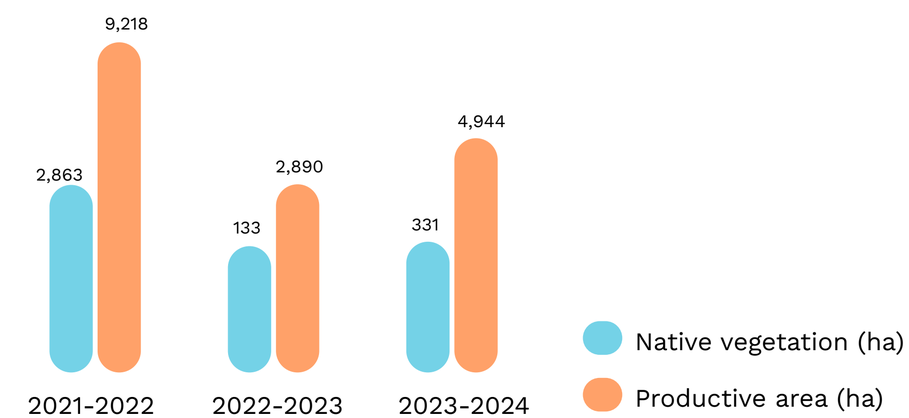
We have a plan in place for preventing and fighting wildfires with support from the local fire departments. To promote and encourage ongoing improvements, we are constantly performing reevaluations, whilst we have also adopted a comprehensive approach to dealing with wildfires, involving preventive and response measures, which are based upon five pillars: communication; preventive inspections; training and certification; early harvesting; and monitoring and firefighting.

We have a communication plan designed to disseminate information quickly and we perform regular inspections to identify locations at risk. We undertake awareness-raising campaigns in those towns where the Company is most active, with the aim of explaining to the community the leading causes of wildfire flashpoints and how to prevent them.

The constant inspections and training sessions offered to the team are essential to ensuring swift responses in the firefighting actions. We are signatories to the São Paulo Sugar and Energy Agro-environmental Protocol, having voluntarily ended the use of fire in the harvesting of sugarcane since 2014.

Through this set of initiatives, we have achieved positive results on a variety of different fronts, including a reduction in the burning of farmed areas and vegetation, as well as successful impacts on the environment and communities in general.

We prioritize early harvesting in areas susceptible to wildfires and we have an advanced monitoring system, including the use of satellite, providing early fire warnings.



Figures relating to our own and partner lands.

Awareness-raising on wildfire prevention

Over the course of the campaign, we promoted information booths in nine towns near our industrial units, distributing informative materials designed to reinforce knowledge on how to ensure wildfires do not start.

With the support of the local Fire Departments, we offered talks to more than one thousand students attending public schools in five towns, involving educational content demonstrating what can cause wildfires and how to avoid them. The approach also included playful activities and the distribution of a pamphlet on the subject.

We held an awareness-raising action with the truck drivers who enter our industrial units, talking about the prevention of wildfires and distributing canisters for the disposal of cigarette butts, since many wildfires are started accidentally. As a whole, these initiatives impacted around 8,500 people. We have also made a telephone number available for accusations and warnings concerning wildfires – **(17) 3280-1012.**

Technology applied in firefighting

In Brazil, we are pioneers in the satellite monitoring of sugar plantations. The system, which covers 100% of our proprietary lands, as well as that of our suppliers and partners, involves 13 monitoring satellites operated by government agencies (including NASA), with visual and audio warnings being automatically sent to the company. The warnings contain information on the blocks of land being affected by the fire, thereby helping to direct the firefighting teams. The system also allows for weather tracking, including visualizations of the speed and direction of the wind, forecasts of droughts and floods, and historical records.

During the 2023-2024 campaign, the system implemented the 'Triplo 30' form of technology, which highlights the critical areas requiring firefighting, by means of the following orientation – winds of more than 30 km/h, temperatures over 30°C, and relative humidity of the air below 30%, thereby helping to better direct the efforts.

With the intention of improving the speed in tackling outbreaks of fire, we have developed a monitoring system with more information such as the spread of wildfires and water risk. We have also installed trackers in the trucks based at all the units intended specifically to fight wildfires. By doing so, we are able to see the general location of the trucks, meaning we can direct them to tackle to focal points of the fires depending upon their proximity, thereby optimizing and guaranteeing grater efficiency in fighting the fires.

We use fast access vehicles (light vehicles equipped to contain outbreaks as soon as they start) to guarantee efficient control of identified cases. The fleet is made up of six of this type of vehicle, as well as 35 spray tankers and around 180 firefighters.

All the engagements with wildfires are reported by means of an app, with post-fire information and photographs containing coordinates and the general situation of the location, all of which contributes to documenting the most critical areas and the logging of improvement actions that may be implemented. The preventive measures have assisted in the process of containing outbreaks before the fires can spread to wider areas, thereby allowing teams of firefighters, be they the company's own teams or those involved in the Mutual Support Plan (PAM), to arrive at the site as quickly as possible.

The monitoring and firefighting work involves the joint efforts of all the Tereos units, with the cooperation of other mills in the region and the public authorities.

> Our results in relation to the control of wildfires has been evolving since 2020, with more than a 50% reduction in the area affected by fire.

However, due to a very dry period and a number of events involving illegal fires, the total scorched area presented has increased against the previous campaign.

Circular economy

[GRI 3-3 Circular economy and waste management | 201-2]

We are guided by the transformations learned in the field. With investments and excellence in what we do, we create solutions for building an economy without waste and with lower GHG emissions. We understand that improving our production chain with a focus on sustainability is an ongoing project that lies at the heart of our strategy.

Our operation prioritizes the concept of a circular economy. This is how the performance of our production chain remains favorable and efficient, with approximately 100% of the raw materials and their respective byproducts being used. We aim to achieve circularity in our processes, products and business, combining economic development with better use of natural resources, by means of new business models and the optimization of our activities.

The commitment to these practices focused on the sustainability of the business allows us to access alternative financial opportunities, linked to the future, such as green loans. Read more on page 30.

Below we outline how the raw-material results in a valuable byproduct that is important to both the business and the environment.

Significant impacts of the byproducts generated

[GRI 306-2 | 201-2]

Dry yeast

Originating from the drying of the yeast foam, a byproduct from the fermentation of ethanol, is recommended for use in the production of animal feed

Bagasse

Used for the production of renewable electricity (cogeneration)

Vinasse

Used for fertigation of the sugar plantations and for the production of biogas

Filter cake

Used as an organic fertilizer

Ashes

The ashes produced from the burning of bagasse are incorporated into the filter cake thus making it an organic compost that can be applied in the field

Biogas[1]

Generation of renewable energy (combustion of biogas in the generators)

[1] In the biogas purification process, the primary sulfur is removed for future use as a raw material in the production of biomethane in our operations.

The benefits of using localized vinasse

[GRI 306-2]

Vinasse is an essential byproduct in our management to achieve high levels of productivity, since it is rich in potassium, organic material and other nutrients. Increasing productivity and reducing environmental impacts are some of the benefits of using localized vinasse, resulting in significant positive impacts for our business.

Our aim is to optimize and expand the application of vinasse throughout our proprietary lands. With this in mind, we have been investing in new structures for the localized application of vinasse.

In those areas where we apply localized vinasse, we have seen an increase in crop productivity of between 4 and 6 tons per hectare. As well as substituting potassium-based mineral fertilizers, we enrich the vinasse with other nutrients, bio-stimulants and bio-inputs as a means of pest control. This reduces the need for other operations in the area, such as the application of gypsum.

This practice not only helps to preserve the environment, but also contributes to decarbonization and the reduction of costs.

We have begun applying the vinasse that is applied by means of localized sprinkling, in large sheets and in natura, and by mixing it with fertilizer. We have also included the application of insecticides in this operation as a means of controlling pests. In the past, these insecticides were entirely chemical, but now they are 50% biological.

These technologies increase the productivity, minimize waste caused by leaching, reduce the environmental impact, and strengthen the sustainable agricultural practices. By reinforcing our commitment in this area, as well as optimizing the use of natural resources, we are continuing to avoid the use of nitrogen in the sugarcane planting phase, during which the plant establishes itself and develops roots and leaves.

We are also implementing advanced measures for the prevention and control of wildfires, involving actions that aim to reduce the frequency and intensity of these events, thereby protecting our areas of socio-environmental preservation, as we have already mentioned in this report.

We have expanded the localized application of vinasse, a technique that optimizes the use of byproducts and nutrients, covering approximately **80% of our land areas**. In the remaining areas, we have replaced conventional granular fertilizers with **special fertilizers that employ a technology that controls the release of nutrients**. This approach has contributed to the reduction of emissions and to the improved absorption of nutrients by the sugarcane.

Sustainable agriculture

[GRI 3-3 Biodiversity, ecosystems and land use]

Combining ecologically correct agricultural practices with the economic sustainability of Tereos itself, as well as that of our producers, is our main objective in relation to this matter. We are committed to supporting and developing sustainable agriculture throughout our chain by means of environmentally responsible initiatives, such as soil conservation, preservation of the quality of water and its intelligent consumption, protection of streams and rivers, and the promotion of environments that are favorable to biodiversity, amongst others.

Aware of the impact on biodiversity, we have intensified our initiatives designed to preserve and recover biological diversity in our areas of operation, and we expect to be able to present significant progress in future reports. [GRI 304]

By means of the Agricultural Masterplan, we have begun a series of initiatives designed to increase agricultural productivity, aiming to increase the TSH (tons of sugar per hectare) by 5.4%. From an initial survey of 222 actions, we undertook a process of selection together with an external consultancy, arriving at 100 initiatives, classified by area, such as improvements in agronomic management, personnel development, operational structure, and businesses.

We began implementing these actions during the 2023-2024 campaign, considering those that could generate positive impacts and contribute to decarbonization in the short and medium terms, in line with our goals. Amongst these projects are the biological inputs and maximization of localized vinasse.

As part of the implementation, we adopted technology in our agricultural practices and performed constant studies, focusing on: new varieties of sugarcane; control of pests, diseases and weeds; crop handling and harvesting; the use of drones on the plantations; and real-time access to information that allows us to make more assertive decisions in the field - a management software based upon geolocation helps us by providing precise data and gains in efficiency. This infographic contains more information on the use of technology in the field.

As a means of controlling pests, a specialist team manually monitors their numbers to be able to arrive at data which can be automatically included in our dashboards. By doing so, we manage to establish which areas show levels of control and define the correct form of management necessary for each one. [GRI 13.6]

We also use a nitrogen fixing bacteria on 100% of our plantations and, in 2024, began using ratoon caning (10,000 hectares in the 2023-2024

campaign, with plans to apply it to 100% of the land during the 2024-2025 campaign). Since the 2022-2023 campaign, we have been applying other fertilizers which emit lower levels of GHG, and we are increasing the use of these fertilizers with each campaign. [GRI 201-2]

We provide internal training on the standardization of agricultural practices, with samples and the participation of external consultants, with a view to sharing the advances being made in the market. [GRI 13.6]

In relation to regenerative agricultural practices, we are working to increase soil care, pursuing routine activities in the field, such as minimal or reduced soil preparation, whilst also employing crop rotation techniques, aimed at implementing a cycle of nutrients and soil cover as a means of mitigating problems such as erosion. The aim is to simultaneously produce and recover, ensuring that the land remains productive and healthy in order to be fully prepared for climate events. [GRI 13.5]

The use of biological products contributes significantly to our short-term efficiency, facilitating a transformation in agricultural management. Our focus is to continue striving to achieve a balance in the soil through regenerative agriculture, making advances in our expertise, with technologies and an industrial structure suited to the creation of biological products.

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Evolution in the application of pesticides

In the most recent campaign, we made a change to the way in which we apply agricultural pesticides, with the intention of reducing financial and operational risks that could affect the health of the crops. With an investment of R$ 32 million, we have now begun preparing the mix of pesticides at the units themselves before transporting them to the fields for application. Previously, this product was prepared in the field and taken to the area to be treated in small containers. This initiative significantly reduces the possibility of any irregularities during the transportation, whilst increasing the operational efficiency and ensuring precise doses. The centralized preparation minimizes any waste of pesticides, makes the application more uniform and controlled, and reduces the risks of environmental contamination. Furthermore, the change improves the workers' safety, reduces exposure to chemical products in the field, and contributes to the sustainability of our agricultural process.

Regenerative agriculture practices

Our activities in the field are aligned with regenerative agriculture, in that the aim is to produce and recuperate the land at the same time, thus maintaining the productivity of the soil. Amongst these practices are:

Water resources

Agronomic

1 | Watercourses;

2 | Management of drainage water: dry tanks, which are containers designed to collect rainwater, and contour lines.

Benefits

1 | Systematization of the areas where the mapping is designed to take best advantage of the water and establish the best way of directing it;

2 | The actions avoid mudslides, erosion and the silting of rivers.

Advantages of regenerative agriculture:

- **preservation of biodiversity**, taking into consideration the fact that the soil is a living organism; and
- **resilience of the agricultural system**, which becomes more productive considering climate change through the use of processes that fit naturally into the ecosystem for the regeneration of life and maintenance of water resources.

Land management

Practices

1 | Soil cover crops (crotalarias and soybean);

2 | Crop rotation and mixing under the MEIOSI (Simultaneous Inter-Rotational Method) system. The choice is defined depending upon the susceptibility of the soil to erosion and the time of planting;

3 | Crop waste management;

4 | Conservationist preparation of the soil and direct planting, eliminating the previous crop with minimum soil inversion;

5 | Nutrient management (4R): all the fertilizer and soil improvement recommendations are based upon analysis of the soil and precise applications;

6 | Reduction of the farmed area with an increase in the productivity of the sugarcane crop by means of precision agriculture.

Benefits

1 | Assistance in the biological fixing of nitrogen, thereby reducing the need for application of nitrogenous fertilizers;

2 | Avoidance of a single focus for the area, introducing a wide range of species into the system, having a direct effect on the the improvement of the physical, chemical and microbiological properties of the soil and on the fixation of nutrients, whilst also avoiding erosion;

3 | Maintenance of the organic material as a form of protection, increasing the humidity and reducing erosion

4 | Promotion of more stable conditions for the development of the roots and organisms that live in the soil. This significantly increases the organic matter, improving the fertility and the ability to support the agricultural production;

5 | Optimization of the use of inputs, contributing to the health of the soil and preservation of the quality of the water. Efficient management of the nutrients can also optimize the agricultural profitability;

6 | Continued preservation of areas of high conservation value.

Land and water resource management

Agronomic

1 | Irrigation efficiency: using vinasse for fertigation;

2 | Use of bio-fertilizers: vinasse and organic composts (filter cake and ashes). In some areas, we apply cattle manure or poultry bedding, either directly or mixed with compost.

Benefits

1 | Directly supplies the plants with nutrients, optimizing absorption and reducing losses due to leaching, whilst also allowing efficient water use;

2 | Preserves the health, as well as the chemical and physical structures of the soil, increasing both fertility and productivity. When produced locally, agricultural production costs are reduced.

Biodiversity

Agronomic

1 | Biological control: applications performed following surveys of the local communities;

2 | Development of the habitat for the pollinator: implementation of the 'Apiculture' project and encouragement of dialog between farmers and beekeepers. Read more on page 44.

3 | Restoration of the natural habitat.

Benefits

1 | Reduction of the pest population without affecting other species that are beneficial to the crops, reduction of the use of chemical pesticides, and preservation of the health of the system;

2 | Promotion of the biodiversity, increasing the agricultural productivity, through pollination and contributions to the health of the ecosystems;

3 | Increase in the biodiversity and essential ecosystemic services, such as purification of the air and water, whilst also contributing to the mitigation of climate change. By doing so, it promotes the resilience of the ecosystem, supporting its resistance to disturbances and conservation of threatened species.

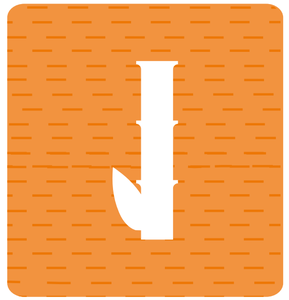
Traceability of the production contributes to the efficiency of our operation from the field to the factory. Outlined below are all the stages involved in the activity:

[GRI 13.23.1]

1 The first stage involves **the planning and programming** of our campaign. These processes take as their premise: our own vs. suppliers' blocks' milling quotas, maturity of the plantations and the distance the sugar is to be transported.

2 Based upon the planning, a **service order is opened in the system**, which shows the block and the team that will perform the campaign.

3 The campaign is performed using **mechanized equipment** that is transported to the plantations.



4 The equipment used to collect and transport the sugarcane has **onboard computers**, containing a system that allows for **24-hour monitoring** of the main operational indicators. For example, we have the actual hours worked and the unavailable hours, as well as monitoring of the activity that is being performed by each of them.

5 The sugarcane is **loaded onto trailers** and transported by trucks to the industrial units by truck.

6 Upon arrival at the weighing station, **readings of the origin of the sugarcane** are performed by an automated Digital Sugarcane Certification (CDC) system or by the reading of bar codes.

7 **The information obtained and included in the system** connected to the service order includes: identification of the farm and its owner; information on the equipment used in the campaign and transportation; and data on the weight and area harvested.

Innovation

Innovation in our agricultural processes is a differential that is recognized by the market. Connectivity is essential for the efficiency of the plantation, whilst data collection supports the progress of the activities, and technology contributes to the sustainable initiatives in relation to the application of fertilizers and greater precision in the campaign results.

Connectivity in the field

- **Connectivity is essential** for the collection of data in the field in real time, which allows us to **control the quality and immediately take corrective actions.**
- In 2024, **in partnership with Claro and Sol Internet of People**, antennas will be installed in areas near the plantations.
- Through these antennas, **we will be able to cover 92% of the production areas**, which further facilitates the use of technologies for precision farming.
- The **weather stations**, meanwhile, help us to guarantee the ability to correctly make forecasts during the campaign.

Use of localized vinasse

- **Vinasse is a byproduct of the sugarcane processing** which contributes to the reduction of environmental impacts.
- **It is rich in nutrients**, containing bio-stimulants and bio-inputs for pest control.
- In the 2023-2024 campaign, **localized vinasse is applied together with fertilizer**, covering the majority of the farmed areas.
- This means that it **is applied according to the specific needs of the land, reducing costs and combining the fertilization processes** with those involving the application of bio-stimulants, nematicides and insecticides.

Data use

- Use of **Artificial Intelligence applied to satellite images** for the identification of irregularities and evolution of the health of the crops.
- **The information on the activities in the field is collected by means of tablets, cell phones, drones, sensors and machines**, and is stored in a cloud.
- **The Agribusiness Operations Center receives this information in real time** and monitors the activities to maintain the stability and standardization of the processes.
- These actions contribute to the **control and transparency of the activities**, the performance of corrections and the implementation of improvements, which has a direct impact on the **increase of the business' socio-environmental and economic potential**.

Precision farming

- **The planting in georeferenced lines maximizes the productivity** to ensure precise alignment and optimization of the planting, management and harvesting operations.
- Use of **Artificial Intelligence to identify errors on the plantations and make immediate corrections**, thereby reducing losses in the campaign.
- Training in models for **recognition of planting standards**.
- Use of the SimpleFarm system allows for the **efficient management of information from the field**, centralizing data and enabling strategic decision making.
- Application of **fertilizers at variable rates, being precisely adjusted to the specific conditions** of the soil.

Chapter 3

And for people

Development and training
Diversity and inclusion
Health and Safety
Human Rights
Social responsibility
Supplier relations

Commitment to the employees

People are a fundamental part of the shared future that we are cultivating. As such, by means of our strategy of sustainable development we aim to stimulate the potential of each individual and encourage a working environment that allows for a balance between the professional life and the personal life. We act with transparency, respect and trust, sharing achievements and working together to tackle any form of discrimination. [GRI 2-23]

More than nine thousand employees and around 500 apprentices and interns make up our operations in Brazil. All Tereos' employees and workers are covered by collective bargaining agreements. [GRI 2-30 | 2-31]

To strengthen contact with the different departments, we now provide a new Communication Channel for the team by means of the WhatsApp platform. We also have special channels for the corporate and operations areas, including intranet and a newsletter, which provide support such as tools with which to develop employee relations.

Another initiative that aims to improve our relations is the *Divertidamente* program, directed towards the employees' children and involving playful activities at our units, that welcomed 450 children and adolescents during its third edition.

We celebrated a 21.3% increase in our female workforce in the 2023-2024 campaign, when compared to the previous year. With this increase, we now have 983 women within our workforce, which corresponds to 10.2% of the total number of employees, whilst we have also recorded a **rise of 15.9% of women in leadership positions** (read more about our workforce in the Annexes). [GRI 2-7 | 2-8]

Achievements and celebrations

One notable point in the 2023-2024 campaign was the publication of our new Purpose and Values, being presented first hand to our employees on *Conecta* Day. The event is designed to boost the connection, synergy and collaboration between people, celebrating the results achieved during the period and aligning the priorities for the future. The Executive Board made a presentation about the standout initiatives of the campaign and there was also a talk given by an external speaker, this time by the Olympic volleyball champion, Giovane Gávio. Interactivity is ensured by means of an app that allows the employees to interact with the presenters in real time and take part in polls and voting on the best projects.

As proof of our efforts, for the second time, we were awarded the Great Place to Work (GPTW) seal, a form of certification that recognizes the best working environments for employees. **The highlight of the year was the aspect of 'Pride', that strengthens people's sense of belonging at our company** and contributed to the eight percentage point rise in the indicator, which rose from 76 to 84 points. The results concerning satisfaction obtained by means of the survey also led to 350 action plans being refined for the next campaign and transformed into ongoing improvement initiatives.

Our GPTW score rose from 76 to 84.

Development and training

[GRI 404-2]

We are committed to the promotion of equal opportunities, only considering criteria related to the skills and abilities of each individual and we know that it is possible to do even more. We began the campaign with the full hiring of employees across our operations and sought to develop actions that contribute to the retention of talents, encouraging the recruitment of seasonal workers for strategic positions.

To qualify our personnel, we offer a technical abilities and skills development plan that includes training and courses for professional advancement aiming to establish a continuous cycle of improvement. As a means of identifying opportunities for career progression and the possibility of internal hiring, the Careers Committee hosts an annual event for the drafting of individual development plans, which contribute to evaluating how ready the employees are to assume new functions within our workforce and map out successors.

We also offer different entry opportunities for new talents in the form of the following programs:

Apprentices: a program designed to introduce young people into the work market. At the end of their contract, the Young Apprentice can also apply for our internship program if they fulfill all the requirements.

***Jovens Talentos*:** an internship program that opens around 100 places each year to university students.

T3 (*Talentos* Tech Tereos): begun during the 2023-2024 campaign, this program is aimed at trainees working in the area of technology.

***Jovens Engenheiros*:** this program was started up again this campaign for the hiring of professionals with two years experience in the market, offering them work in our operations with the perspective of promotion at the end of the program.

Engagement actions

By means of a **Traveling Board**, we have offered five series of visits to the units at campaign time, during which the senior management sit down with the employees for discussions over a cup of coffee.

We also welcomed Tereos' global Executive Board for a week-long visit to our field and industrial operations, which included a meeting with the local employees to find out more about the specific characteristics of the business in Brazil.

59%

general insourcing of employees and

80%

for leadership positions.

At the beginning and end of every campaign, we host the **Town Hall** event, a meeting at which we present the planning and results achieved as a means of aligning our employees with the perspectives for the year.

The ***Liga dos Campeões*** meanwhile, is our engagement program in the agribusiness operations, developing healthy competition between the teams at all the units, involving almost five thousand employees. To keep them motivated, the competition ranking is updated each month. At the end of the campaign, awards are distributed to the winning teams at a ceremony that includes different activities and a special soccer tournament.

By means of the ***Influenciadores Digitais*** program, 16 employees from different units and sectors within the Company work as brand ambassadors on the LinkedIn platform. In this way, we are able to increase our internal and external engagement, sharing Tereos' most important achievements, projects and initiatives with our stakeholders through a human connection. The project won the MasterCana Social Award and was also a finalist in the 'Companies which Best Communicate with their Employees Award'.

Now in its fourth edition, the ***Excelência* Tereos Award** recognizes and celebrates those employees who are behind the leading initiatives that promote sustainability, safety, waste reduction, and transformation and innovation within our business. With 331 enrolled initiatives, the award firmly establishes Tereos' culture of constant improvement and the commitment of our teams to the sustainable growth of the company. Each edition also involves recognition of those leaders who have stood out during the year.

Leadership initiatives

We engage and develop our current and potential leaders, aiming to offer the necessary tools for boosting personal and team performance.

The **Learn to Lead** program prepares our analysts and engineers to assume leadership positions. The program offers training on leadership skills and efficiency in administration, directing and personnel management.

The ***Programa Desempenho*** is directed towards those in the technical-administrative area, with a focus on self-knowledge and communication.

In the **Leadership Program**, we offer practical workshops for managers and executive managers based upon our values and practices, developing soft skills and actions that seek to strengthen inter-personal relations and create more synergy between the different departments.

Through the **Supervisors in Action** program, we strengthen the alignment of the objective of those of our employees in supervisory positions with the company's strategy. Based upon the development of knowledge and skills, the program contributes to developing the potential of personnel management and the business itself.

For the operational leaders, we have created the ***Líder de Primeira Linha*** program, an improvement initiative focused on the development of communication, feedback and leadership abilities. More than 500 employees have received training under this program since it began.

In the ***Gestores de Alta* Performance** program, the professionals holding this position, along with specialists, are encouraged to take an alternative look at their work in relation to topics such as time management, flexibility, resilience, prioritization and feedback. In doing so, we offer guidance and tools for personnel and processes management. More than 95% of our managers and specialists have received training.

The **Hub *de Liderança*** is an initiative providing support for our leaders to be able to filter information about our business through to their teams. By means of this portal, the leaders have access to videos, cards, key messages and other up-to-date resources over the course of the campaign concerning the Company's main campaigns and programs. As part of the leadership engagement plan, specific actions are undertaken from time to time as a means of complementing the material.

Diversity and inclusion

[GRI 3-3 Diversity, Inclusion and Equity]

We are supported by *Diversifica* Tereos, our diversity program, and our policies and commitments published in a pamphlet, that is delivered to the employees, emphasizing the pillars of Gender, People with Disabilities, LGBTQIA+, Race and Ethnicity, and Generations. *Diversifica* Tereos involves affinity groups that promote greater visibility of their demands and dissemination of the culture within the company.

We also bring diversity and inclusion into our processes for the attraction and selection of employees. By means of a diversity and inclusion dashboard, we now have a clear picture of the general workforce, thus allowing us to monitor our evolution in each of the pillars. Within a sector that is historically male dominated and, therefore, with little supply of female labor trained in positions traditionally occupied by men, we have been offering training sessions for women such as tractor and general vehicle drivers, and operators, amongst other jobs. [GRI 413-1]

We are aiming to construct an environment of empathy, pushing for plurality in the teams, whilst encouraging dialogs and discussions on diversity. We condemn any type of discrimination, whether it is direct or indirect, and guarantee the application of the proper measures to those who act in this way at our Company. Our whistleblower channels are open to anyone who feels uncomfortable.

Workforce broken down by employee category and gender (%)

[GRI 405-1]

Employment category	2021-2022		2022-2023		2023-2024*	
	Men	Women	Men	Women	Men	Women
Directors and Superintendents	87.1	12.9	100	0	100	0
Managers and Executive Managers			82.9	17.1	83.6	16.4
Managers	81.0	19.1	81.3	18.7	78.6	21.4
Leaders	98.3	1.7	98.2	1.8	98.0	2.0
Supervisors	95.2	4.8	96.9	3.1	95.0	5.1
Operational Staff	93.6	6.4	92.3	7.7	91.5	8.5
Technicians / Administrative Staff	68.2	31.8	65.9	34.1	63.2	36.8

*As of the 2023-2024 campaign, Tereos has started reporting the GRI 405-1 and 405-2 indicators in more detail in relation to the executive position categories, thereby making the report that much more transparent. The same indicators relating to 2022-2023 were amended to bring them into line with the new detailed approach, thus making the reports more comparable. [GRI 2-4]

Workers who are not employees broken down by employment category and gender (%)

[GRI 405-1]

Employment category	2021-2022		2022-2023		2023-2024	
	Men	Women	Men	Women	Men	Women
Apprentices	49.5	50.5	45.3	54.7	43.6	56.4
Interns	61.9	38.1	49.1	50.9	45.4	54.6
Trainees	12.5	87.5	0	0	0	0

Ratio between the basic salary and remuneration received by women and that received by men

[GRI 405-2]

	2021-2022	2022-2023	2023-2024*
Directors and Superintendents	112%	N/A**	N/A**
Managers and Executive Managers		88%	92%
Managers	93%	96%	96%
Leaders	89%	93%	88%
Supervisors	100%	109%	98%
Operational Staff	79%	84%	85%
Technicians / Administrative Staff	95%	103%	96%

*As of the 2023-2024 campaign, Tereos has started reporting the GRI 405-1 and 405-2 indicators in more detail in relation to the executive position categories, thereby making the report that much more transparent. The same indicators relating to 2022-2023 were amended to bring them into line with the new detailed approach, thus making the reports more comparable. [GRI 2-4]
** Not applicable, since the category is composed solely of men.

Launch of new affinity groups: **Tereos + *Plural* (LGBTQIA+)**, ***Origens*** (race and ethnicity) and ***Movimento PCD*** (people with disabilities), which are added to **GAMA** (*Grupo de Afinidade de Mulheres no Agro*).

Information and engagement

With the third edition the *Semana da Diversidade*, in November 2023, we presented information on the five pillars of *Diversifica* Tereos for discussion in conversation circles at all our units, involving members of the Executive Diversity Committee. The week was also notable for talks that addressed issues such as racism, sexism, ableism, ageism, and homophobia, all of which were broadcast live to our employees.

We also hosted the second phase of the *'Precisamos Falar Disso'* campaign, which reinforces Tereos' policy and values concerning the respect and inclusion of everyone at our company. This year, we promoted awareness-raising on the issue of tackling harassment and discrimination using messages from individuals allied to the causes of diversity, sharing their stories and tips in support of this campaign. We also broadly communicated our whistleblower channels, encouraging their use and increasing their accessibility.

Our reforestation teams, active at the Cruz Alta, São José and Tanabi units, are entirely made up of women, one of Tereos' commitments to promoting diversity and inclusion, in recognition of the fundamental role women play in our operations.

Global recognition

As a result of our actions, the *Diversifica* Tereos program won an award at the second edition of the Good Practices Market event, held in February 2024 at the Management Forum – an annual meeting of the Tereos Group's senior management, in France. Our program took first place, beating 14 other initiatives from the company's other business units.

Meet our groups

Gender

Between August and September 2023, we offered three courses providing training in the use of agricultural machinery for women from the municipalities of Olímpia and Tanabi. The 40 participants received qualification certificates. A total of 16 women were hired for the positions of specialist tractor operators, logistics operators and general services assistants.

The *Grupo de Afinidade de Mulheres no Agro* (GAMA) held meetings to work on the literacy and empowerment of our female employees. The second edition of the *Mulheres no Agro* workshop involved the participation of more than 200 women, highlighting the representativeness of women in the company. We also started the *Empoderadas* project, which aims to generate information, empowerment and connections between the female employees in different areas by means of discussion groups, knowledge pills and a mentoring program. A total of 34 women from the Financial and Legal departments participated in the project, which is to be expanded into other areas of the company.

Disabled Persons

We have now started the *Movimento PCD* Affinity Group, offering registrations for the group to begin holding meetings in April 2024, promoting literacy, acceptance and affirmative actions with a view to the greater inclusion of people with disabilities in the Company.

In celebration of International Day of Persons with Disabilities, in December 2023, a live broadcast was held to raise awareness of the issue of Neurodivergency, addressing the importance of the early diagnosis of Autistic Spectrum Disorders.

As a means of contributing to a broader vision of what this classification covers, we map those employees who may be included but who are not aware of it, whilst we also work with the business leaders to help them better understand this process. The *'Quem indica, diversifica'* campaign, meanwhile, invites our employees to recommend people with disabilities for our job vacancies.

LGBTQIA+

We have created the Tereos + *Plural* Affinity Group, holding monthly meetings to distribute literature and welcome those employees who belong to, or are allied with, the LGBTQIA+ community, whilst also promoting actions that promote greater inclusion of employees within the company.

Race and Ethnicity

We began the *Origens* Affinity Group with the aim of providing visibility and promoting the literacy, awareness and cultural understanding of our employees through the sharing of experiences and development of affirmative actions.

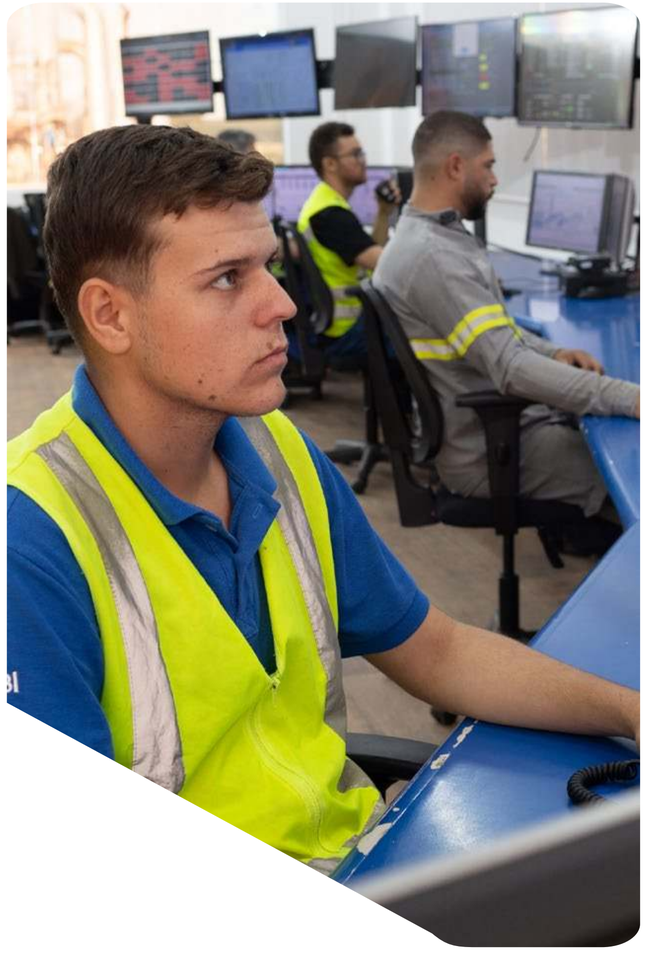
During its second edition, the *Mulheres no Agro* workshop showed itself to be a fundamental initiative for promoting gender equity at Tereos. The event, which attracted more than 200 employees, included discussion groups led by women, focusing on connection dynamics, the sharing of experiences, and learning through music, all whilst reinforcing the fact that Tereos and agriculture truly are a place for women.

Since 2020, the *Mulheres no Agro* movement has been promoting gender equity at the Company, with engagement and awareness-raising campaigns on the subject. This year, the campaign was recognized by the 'Melhor RH' platform in the form of the 'Companies which Best Communicate with their Employees Award' in the Diversity, Equality and Inclusion category.

Workforce broken down by employee category and age group (%)

[GRI 405-1]

Employment category	2021-2022			2022-2023			2023-2024		
	< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Executives	2.3	81.2	16.5	0	84.0	15.9	0	87.0	13.0
Managers	6.3	84.1	9.5	6.0	83.0	11.0	6.8	84.0	9.2
Leaders	13.1	71.9	15.0	11.0	71.7	17.2	10.9	72.0	17.1
Supervisors	11.9	78.6	9.5	13.5	79.2	7.3	15.1	75.8	9.1
Operational Staff	19.8	56.9	23.2	20.6	53.0	26.4	23.6	51.5	24.9
Technicians / Administrative Staff	41.6	53.6	4.7	43.1	52.3	4.6	43.2	52.3	4.5



Workers who are not employees broken down by employment category and age group (%)

[GRI 405-1]

Employment category	2021-2022			2022-2023			2023-2024		
	< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Apprentices	100.0	0	17.0	0	150.0	0	100.0	0	0
Interns	96.4	3.6	26.0	2.0	30.0	2.0	97.0	3.0	0
Trainees	100.0	0	0	0	0	0	0	0	0

Employees from under-represented groups, broken down by employment category (%)

[GRI 405-1]

Employment category	2021-2022		2022-2023		2023-2024	
	BIPOC*	PWD*	BIPOC	PWD	BIPOC	PWD
Executives	0	2.3	2.3	1.1	4.1	4.1
Managers	3.7	5.3	10.4	1.6	13.1	2.9
Leaders	6.1	3.6	22.6	2.5	27.1	3.1
Supervisors	1.2	0	11.5	1.0	18.2	2.0
Operational Staff	7.3	3.7	29.8	3.3	40.4	3.8
Technicians / Administrative Staff	3.0	2.6	15.3	1.9	18.5	2.4

* BIPOC: Black, Indigenous, and People of Color; PWD: Persons with disabilities.

Employees from under-represented groups, broken down by employment category (%)

[GRI 405-1]

Employment category	2021-2022		2022-2023		2023-2024	
	BIPOC	PWD	BIPOC	PWD	BIPOC	PWD
Apprentices	80	26	17	0	150	0
Interns	0	0	26	2	30	2
Trainees	0	0	0	0	0	0

Health and Safety

[GRI 3-3 Health, wellbeing and safety]

The safety of our personnel is a priority for us and, as such, we aim to provide a healthy working environment for all, with decent conditions and respect for human rights. We are constantly investing in initiatives connected to health and safety at work, with a view to reducing work-related accidents and illnesses, which also results in greater productivity and a lower turnover of employees.

11.3% reduction in the rate of work-related injuries

Our good practices have positive environmental and economic impacts, contributing to the promotion of sustainable development and competitiveness. We operate in full alignment with the Sustainability Policy, being committed to strengthening the culture of health and safety, adaptation of procedures and recognition of our responsibilities.

The rate of work-related injuries amongst our employees dropped from 6.45 in the 2022-2023 campaign to 5.72 in the 2023-2024 campaign. This achievement is directly related to our pioneering approach within the sugar and ethanol sector to adopting a methodology that promotes the evolution of the safety culture – the **SEJA** program. This is formed of three pillars, with goals and commitments designed to mitigate events that can result in serious and irreversible, or even fatal, accidents. The program completed its second year this last campaign. [GRI 403-6]

Forming part of SEJA are multi-disciplinary groups that work to identify situations of risk, using methodologies that are divided into levels, considering degrees of likelihood and severity. This mapping has already identified 30 critical events, and the necessary control measures are to be established according to a high-level prioritization in the hierarchical pyramid of controls.

PROGRAMA SEJA

Pillars

- Management of Critical Risks
- Occupational Health and Safety Management System
- Visible and Acknowledged Leadership

Levels

- Likelihood (Frequent, Probable, Occasional, Remote or Unlikely)
- Severity (Very Low, Low, Moderate, Critical or Catastrophic)

Control tools

'Easy' Checklist – Used to check on compliance in the field, using both online (computers) and offline (cell phones and tablets) methods.

LiderVisit – A sharing of experiences between the leaders of different teams as a means of encouraging the recognition of situations of risk or improvement of safety in the operations.

LVCC (Critical Control Verification List) – Developed for each of the critical risks mapped and used to check on compliance with the critical controls.

OPDE (Observation of Potential Events) – This permits the recording of situations involving near-accidents, and risk-related conditions and behavior, encouraging reporting without the intention of establishing the guilty parties, but rather the recognition of safe forms of behavior within a safety culture.

Solvace – A system that manages the Action Plans, including everything from the registration of evidence to the sending out of reminders and approval of checks.

VFL (Visible Felt Leadership) – This is an initiative that involves observation and behavior in the field for the analysis of the employees' perception of risk and safety, recognition of the issue and/or any adjustments that may be necessary. [GRI 403-5]

A culture built by people

We have developed actions that strengthen Tereos' culture of health and safety, involving all the members of the leadership (from the Executive Board to the first line managers) in the engagement of their teams. We offer practical initiatives and opportunities for conversation, whilst we also share the indicators and the performance with all the employees as a means of disseminating all that the company has learned and achieved. [GRI 403-4]

Safety Day, meanwhile, is an event that allows for interaction between all the units as a means of bringing together all the forms of behavior that are expected. This is one specific day of the year focused on raising the awareness of the global Tereos team about the issue of safety, which includes a live broadcast to more than one thousand people.

To evaluate the impact of our actions, we use the Safety Performance Index in our operations. The index includes indicators such as adherence to training, application of behavioral approaches, implementation of action plans and compliance with the drills schedule.
It is fundamental for the measurement of our operational safety and the application of proactive practices.

99.5% adherence of the operations in the Safety Performance Index

CAMPANHA PARE E PENSE!

PARE E PENSE: you are the reason for someone's smile

To further call attention to the individual analysis of risks and their controls for the safe practice of activities, this campaign was launched on Safety Day, and provided a new format for the theme. Broadcasting live from a studio, the Tereos leaders presented the event like a TV show, with live segments direct from the units, interviews with employees, and a special video on the campaign designed to engage the employees in the action. Over the course of the campaign, this commitment was reinforced with the inclusion of the central messages of the campaign in spaces with a high flow of people at our units, on staircases and walkways, as well as a plan for content on our internal channels. [GRI 403-4]

Management of health and safety risks

[GRI 403-2]

SEJA is based upon the ISO 45001 and the corporate requirements established and disseminated by the Tereos Group, being applied in all areas of our operations in Brazil. Our occupational health and safety management system covers 100% of our workforce. [GRI 403-8]

The procedures defined and implemented aim to ensure the prevention of accidents and preservation of the employees' health, being adapted in accordance with the regulatory norms (RNs) of Brazilian occupational health & safety. [GRI 403-1]

The evaluations of occupational risks form part of our internal routine, which allows us the opportunity to evaluate the likelihood and seriousness of the consequences and prioritize areas representing greater risk, implementing the proper control measures to mitigate or minimize them. Some practical examples of these measures are the use of Personal Protective Equipment (PPE), the replacement of hazardous substances and the installation of physical safety barriers.

We perform continuous monitoring of the working conditions and we have contracted an external consultancy to identify the levels of danger of the activities. We also perform evaluations of the effectiveness of the prevention methods adopted, as well as the periodic revision of the programs implemented, guaranteeing compliance with legislation and any necessary updating in accordance with the best practices established by the regulatory bodies.

The health and safety committees are responsible for monitoring the progress of the strategic planning, the programs that are under way, and their respective indicators, performing a critical analysis of the actions performed. The meetings are defined according to hierarchical levels, taking place on a weekly basis involving SHE (Safety, Health, and Environment) managers, operational and human resources directors, and executive managers. The meetings also take place on a monthly basis, involving unit and cluster managers, and the CEO. [GRI 403-4]

We have improved and matured in relation to safety, moving up to the 'Calculator' level under the Hearts and Minds methodology.

Health and safety training

We offer our employees regular training and aim to involve them in recognizing the levels of risk through the *PARE E PENSE* program, which encourages individual analysis prior to performing a job, and provides them with the right to refuse to perform activities which endanger their safety, safe in the knowledge that they will not be judged. We also encourage active participation in the search for solutions, with communication channels open for people to report their concerns, and make suggestions for improvements or the implementation of prevention actions.

As a means of also communicating health and safety practices in the management of contracted parties, we have a training plan and management regulations which include the minimum necessary issues applicable to this group. [GRI 403-1]

As part of our training plan, we offer our employees sessions on issues such as: [GRI 403-5]

- Risk Perception
- Critical tasks with specific, recognized training for the performance of the job
- Danger and risk analysis
- Permission to work
- Work instructions for the task
- Accident investigation
- Defensive driving
- Godfathers and Godmothers Program
- Health and Safety Integration
- Risk workshop
- Behavioral risk factors (*PARE E PENSE* Card)

A focus on the wellbeing of our employees

The occupational health programs are managed by an occupational doctor, whilst the operating structure at the units also includes civil fire departments, safety experts, safety engineers, doctors and occupational health analysts specialized in workers' healthcare.

The care for mental health includes periodic medical checkups, individual monitoring, early identification of work-related illnesses, the promotion of health and wellbeing promotion initiatives, and access to quality medical services. The consultations and exams performed are stored in the form of patient records to which access is limited, thereby ensuring privacy and the confidentiality of the information. We also have a specific indicator on occupational health designed to monitor all the cases registered. [GRI 403-3 | 403-6]

Over the course of the campaign, we promote a calendar of engagement, highlighting important commemorative dates related to physical and mental healthcare that are celebrated in the form of campaigns that involve all the units. Among these campaigns are Blue November and Pink October, the latter of which includes a prevention initiative, including a special drive at the Cruz Alta unit, in partnership with the Hospital do Amor de Barretos, during which more than 100 free mammograms and pap smear tests are provided for the employees and their families. In Yellow September and White January, we worked to demystify the taboo surrounding mental illnesses whilst promoting dialog and seeking professional assistance, offering talks by specialists and providing information on our communication channels.

Work-related injuries

[GRI 403-7 | 403-9 | 403-10 | SASB FB-AG-320a.1]

The reduction in the number of work-related accidents during the 2023-2024 campaign, dropping from 132 to 124 among employees, and from 19 to 14 amongst non-registered workers, demonstrates the efficiency of the application of the SEJA Program and the importance of constantly developing it, including striving to achieve even better indicators. For the fourth year running, we have continued to suffer no occupational illnesses that require reporting.

We are supported by regulations and initiatives that combine to allow us to spread this approach and we take firm steps to prevent accidents. These include: The Sustainability Policy; ongoing quantitative and qualitative analyses designed to gauge the risks present in our working environments; an Internal Accident Prevention Commission (Cipa); Specialized Services in Occupational Safety and Medicine (SESMT); and the use of PPE.

All the jobs performed at Tereos undergo risk analyses associated to these measures, both in the sphere of safety at work and in relation to all aspects of the workers' safety and the associated programs. The occupational doctor is responsible for checking adherence to the programs and monitoring patients by means of occupational exams. We can also count on previously established action plans, ready to be implemented whenever necessary, which are measured by indicators.

Technology that identifies tiredness in drivers

With the aim of reducing accidents during the transportation of sugarcane, we have installed intelligent cameras in our trucks equipped with sensors that detect tiredness. The system is based upon the facial expressions of the drivers, who immediately receive a voice message requesting that they park for 30 minutes in order to rest.

Work-related accidents and illnesses

[GRI 403-9 | 403-10 | SASB FB-AG-320a.1 (1)]

	2021-2022		2022-2023		2023-2024	
	Employees	Workers[2]	Employees	Workers[2]	Employees	Workers[2]
Number of hours worked[1]	20,346,705.8	7,872,363.9	20,785,631	6,762,026	21,563,529	8,322,772
Number of fatalities as a result of work-related injury	0	0	0	0	0	0
Rate of fatalities as a result of work-related injury	0	0	0	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	10	2	4	2	9	6
Rate of high-consequence work-related injuries (excluding fatalities)[3,4]	0.39	0.25	0.19	0.29	0.30	0.72
Number of recorded work-related injuries (including fatalities)	111	16	132	19	124	14
Rate of recorded work-related injuries (including fatalities)	4.67	2.03	6.45	2.81	5.72	1.80
Number of cases of recordable work-related ill health	0	0	0	0	0	0
Rate of cases of recordable work-related ill health	0	0	0	0	0	0

[1] The base used for the number of hours worked is 1,000,000.
[2] Workers: workers who are not employees, but whose work and/or location of work is controlled by the organization.
[3] Principal types of accident: working at heights, contact with moving parts, working with heat, lifting, hot fluids, falling materials, and crimes against property.
[4] For the purposes of calculating the injury rates: (number of injuries *1,000,000 / number of hours worked.

Human Rights

[GRI 408-1 | 409-1]

Tereos' work is guided by respect for human rights, workers' dignity, and the offer of working conditions that are safe, fair and free from any form of exploitation, be it child or forced labor, including in the chain of suppliers. We are in accordance with the local and international regulations, including the United Nations Universal Declaration of Human Rights, the Conventions established by the International Labour Organization, the European Convention on Human Rights, the Guiding Principles of the OECD, and the United Nations Convention on the Rights of the Child. [GRI 2-23 | 414-1]

By means of the *Pé no Chão* program, the Health and Safety Department, in partnership with the Labor Relations team, inspects accommodation, and agricultural and industrial work fronts at all the units, ensuring compliance with human rights. During the inspections, the criticality of the topics can lead to the suspension of the activities or to the blocking of outsourced service providers until they bring themselves into line with the established regulations.

As part of the *Pé no Chão* program, we also share good practices that contribute to guaranteeing compliance and supporting ongoing improvement, as a means of strengthening trust and collaboration.

The Tactical Supply Committee, meanwhile, complements these initiatives, monitoring the visits made by the program's team to the sugarcane farmers to provide guidance on the topic, whilst also assisting them in obtaining the raw-material certification (FSA-SAI), which proves their adaptation to the socio-environmental compliance requirements. Read more about the certification on page 38.

Social responsibility

[GRI 3-3 Community relations and local development]

Social responsibility forms an integral part of all of Tereos' initiatives, expanding our contribution to the regions where we operate. We work in the areas neighboring our operations depending upon their needs and with the aim of generating increasingly more positive and real social impacts, ranging from social and economic development (involving training, job creation and consumption through local suppliers) to the production of renewable energy with the intention of reducing carbon dioxide emissions (CO_2) into the atmosphere. [GRI 413-1]

We recognize, however, that our operations can have negative impacts, such as dust caused by the trucks, as well as potential traffic accidents due to the great many vehicles required for the operation. We have a plan designed to engage and map the communities and we are committed to developing ongoing actions designed to mitigate both real and potential risks, as a means of advancing in our commitment to leaving a positive legacy in our neighboring regions. [GRI 413-2 | 13.13]

Amongst the actions that we have developed to minimize the impacts of our operations are:

- Improvements to traffic signposting.
- Constant monitoring of the agricultural team in critical areas and humidification of the areas through the employment of spray tankers to reduce dust.
- Sponsorship of social, educational, cultural and sports projects in partnership with municipalities as a means of supporting the economic development of the regions neighboring our operations.
- Talks and booths designed to raise awareness of wildfires in partnership with the Fire Department and municipalities, as well as the maintenance of firebreaks, monitoring of affected areas, early harvests and fire drills as part of the Mutual Support Plan.

Tereos *Fazendo Acontecer*, meanwhile, is an internal engagement program that takes all that is good about the company into the local communities and beyond. The project works on four pillars that are essential for wellbeing and development: the environment, social wellbeing, health and education. We map the opportunities that exist for helping the communities neighboring our units with the support and engagement of our volunteer employees. Since it was launched in 2022, eight editions of the program have been undertaken, five of them taking place during the 2023-2024 campaign, involving the mobilization of more than 500 employees and impacting more than 1,300 people.

During the most recent campaign, our actions involved a campaign for the collection of toys that were donated to NGOs in São José do Rio Preto and Pitangueiras (SP), a visit by students from the E-Tec school in Olímpia (SP) to our saplings nursery at the Cruz Alta unit, and discussions concerning water preservation and reforestation involving the planting of saplings together with students from three schools in nearby municipalities.

First edition of Tereos *na Área*

At the end of 2023, we launched the Tereos *na Área* project, as a means of strengthening the ties and relations with the communities neighboring our operations. The initiative included cultural and sports events financed by tax incentive laws and our own funds, in partnership with the municipal government, with the aim of providing entertainment, culture and leisure for the people in the regions.

A multi-disciplinary team from Tereos, made up of members of the Human Resources, Sustainability, Marketing, Labor Relations and Communication departments, participates in the events, helping to select the actions and activities that are to be developed with the public.

The first edition of the event, held in December 2023 in the municipality of Mirassolândia (SP), involved the erection of a Tereos tent in the town's main square, a space which was easy for the local residents to get to. Free services were offered, including haircuts and relaxing massages, native tree saplings from the Tereos nursery were donated, and the HR team announced job vacancies, collected curricula and answered doubts about the Company's hiring process, whilst 30 school materials kits were distributed through a lottery. In addition to these actions, ten bouncy castles were inflated near to the tent for children to play on, whilst there were stalls distributing popcorn and cotton candy to the visitors. Around five thousand people attended the event.

Similar events are planned to take place in four other municipalities during the 2024-2025 campaign, demonstrating Tereos' commitment to promoting sustainable development and reinforcing its image as a socially responsible company.

We support projects that make a difference

We have continued with the *Projeto Pescar*, an initiative that trains young people in vulnerable situations, offering the opportunity to beginning their professional lives in the agribusiness. Our partnership with the *Projeto Pescar* Foundation has been running for 11 years now, with more than 180 young people having been trained and certified for the work market, with many of them having been hired by Tereos. Young people aged between 16 and 19 from the region neighboring the Cruz Alta unit (Olímpia and Baguaçu) can enroll for participation in the program. As well as training these young people for the work market, a large part of the program is focused on development as individuals and citizens, addressing themes such as citizenship, sustainability and entrepreneurism, amongst others. [GRI 203-2]

We also offer training sessions with beekeepers as part of the ***Projeto Apícola***, a program that we have developed to boost honey production at apiaries nearby our units. The sessions involve training in production and environmental education. [GRI 2-25 | 203-2]

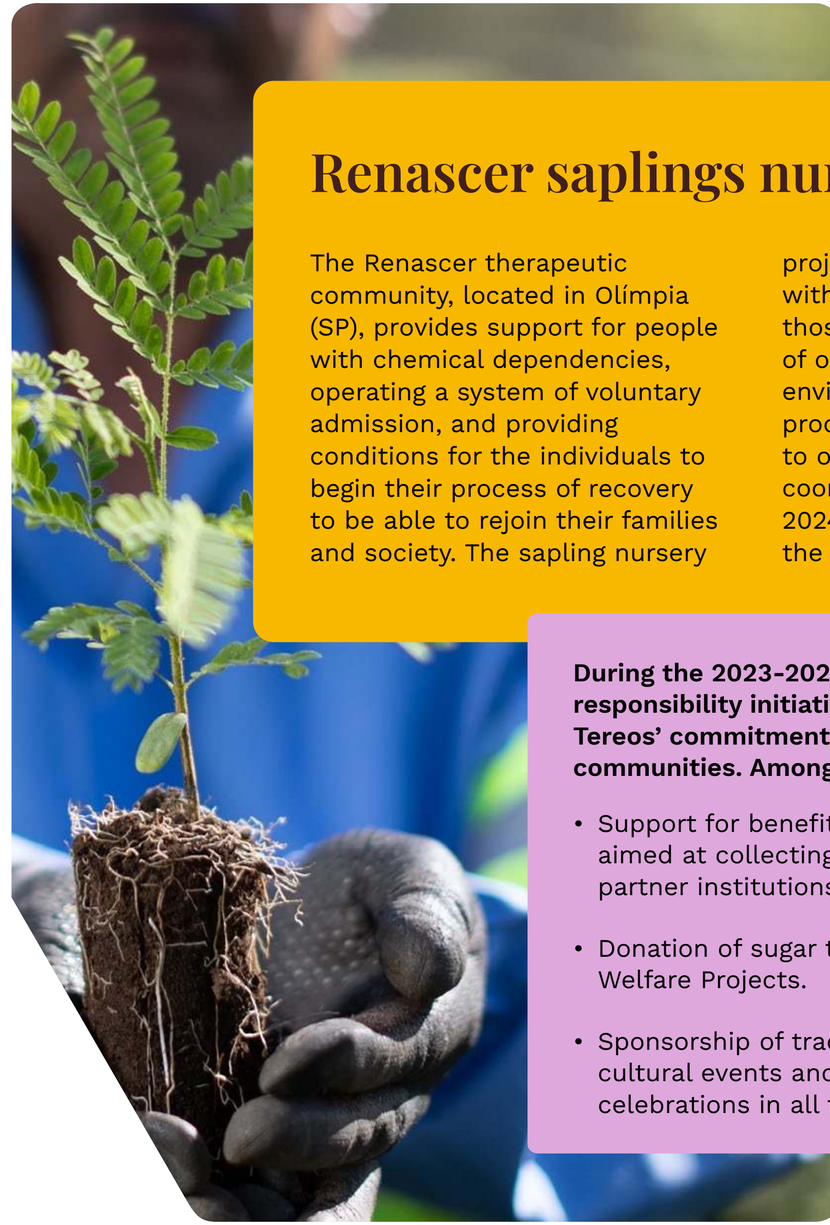
The main social projects supported during the 2023-2024 campaign were: Projeto Mundo Novo (São José do Rio Preto), Projeto Maquininha do Futuro (São José do Rio Preto), Associação Renascer (Olímpia), Basquete Assistência para a Vida (Olímpia) and ALMA - Academia Livre Música e Artes (Ribeirão Preto).

We also support the *Circuito Cultural de Inclusão* project, offered by the APAE in Olímpia (SP). The initiative, which has been enabled by a partnership between Tereos and the ImageMagica NGO, by means of the ProAC/ICMS tax incentive law, included activities such as nursery planting and the production of photos by the students, which were exhibited at the APAE and will also be exhibited at the units and at Tereos' corporate offices.

Tereos also takes part in large events, being a pioneer in partnerships that promote the use of clean energy and contribute to decarbonization through the emission of renewable energy credits (I-REC). So far, the initiatives have achieved a total of more than 450,000 certificates, with a reduction of around 13,300 tons of CO_2 emissions.

We also participated in the Parintins Festival, in partnership with Coca-Cola Brasil and the Amazonas State Government; the Coala Festival, Oktoberfest and Camarote Brahma do Carnaval in São Paulo; Country Bulls and the OBA Festival, in São José do Rio Preto; João Rock, in Ribeirão Preto; Forró da Lua Cheia, in Altinópolis; and the event held to celebrate 50 years of the Formula 1 Grand Prix in Brazil.

Furthermore, we also renewed our partnership with the *Hospital do Amor de Barretos* for one more year, involving the donation of renewable energy produced by means of the biomass resulting from the sugarcane.



Renascer saplings nursery

The Renascer therapeutic community, located in Olímpia (SP), provides support for people with chemical dependencies, operating a system of voluntary admission, and providing conditions for the individuals to begin their process of recovery to be able to rejoin their families and society. The sapling nursery project, implemented in partnership with Tereos in 2023, aims to offer those being treated the option of occupational therapy and environmental education. The saplings produced by the project are donated to other environmental initiatives coordinated by Tereos. Up until March 2024, two thousand species native to the region had been produced.

During the 2023-2024 campaign, different social responsibility initiatives were performed, reflecting Tereos' commitment to contributing positively to its communities. Amongst these we can highlight:

- Support for benefit events aimed at collecting funds for partner institutions.
- Donation of sugar to Social Welfare Projects.
- Sponsorship of traditional cultural events and municipal celebrations in all the regions surrounding the industrial and agricultural operations.
- Raising of environmental awareness by means of talks and practical activities with students from the municipal education system.

Communication and impact

During the 2023-2024 campaign, we invited journalists to visit our Cruz Alta unit, in Olímpia, to experience the circular economy in practice. Journalists from 15 media vehicles took part in the visit.

We also sponsored the sustainable agribusiness course offered by the "Folha de S.Paulo" newspaper, teaching an exclusive class on the circular economy to the participating journalists.

The communication of our good practices in sustainability over the course of the campaign also included a series of publications on LinkedIn, sharing internal and external actions with our stakeholders as a means of communicating the agenda. In the series about the Circular Economy, we detail our leading products and the coproducts generated in our operations and how we are able to reuse them. In the ESG A to Z, we aim to increase people's understanding of the central concepts and practices that involve environmental, social and governance sustainability, explaining different terms and initiatives.

The floods in Rio Grande do Sul

Tereos supported the victims of the tragedy that affected the state of Rio Grande do Sul between April and May 2024, with actions that had both a direct and indirect impact.

Our employees offered support to the Civil Defense services in São José do Rio Preto (SP) as volunteers loading trucks with donations. Through the Sugarcane and Bioenergy Industry Union (Unica), of which we are members, there was a donation of ethanol for the delivery of food to isolated areas.

Initiatives were also developed which directly affected around 10,000 people:

- Donation of 21 tons of sugar through commercial partners and another two tons from Tereos to the Porto Alegre Food Bank.
- Donation of one thousand blankets sent via the São Paulo Civil Defense service, produced through the recycling of old uniforms and PPE.
- Sending of a tanker of drinking water via the São José do Rio Preto Civil Defense service following a collection campaign amongst our employees.

Participation in associations

[GRI 2-28]

UNICA – Sugarcane and Bioenergy Industry Union

BIOCANA – Association of Sugar, Ethanol and Energy Producers

SIAESP – Sugar Industry Union of the State of São Paulo

SIFAESP – Ethanol Manufacturing Industry Union of the State of São Paulo

UDOP – National Bioenergy Union

SRB – Brazilian Rural Society

ABAG – Brazilian Agribusiness Association

France-Brazil Chamber of Commerce

Drainage Basin Committees

Supplier relations

[GRI 3-3 Management and traceability of the supply chain]

In order to be able to guarantee our commitment to sustainability at every stage, transparency in our commitment relations and the quality of our deliveries, we are committed to continually working with our value chain. We ended the 2023-2024 campaign having processed approximately 10.3 million tons of sugarcane sourced from our suppliers.

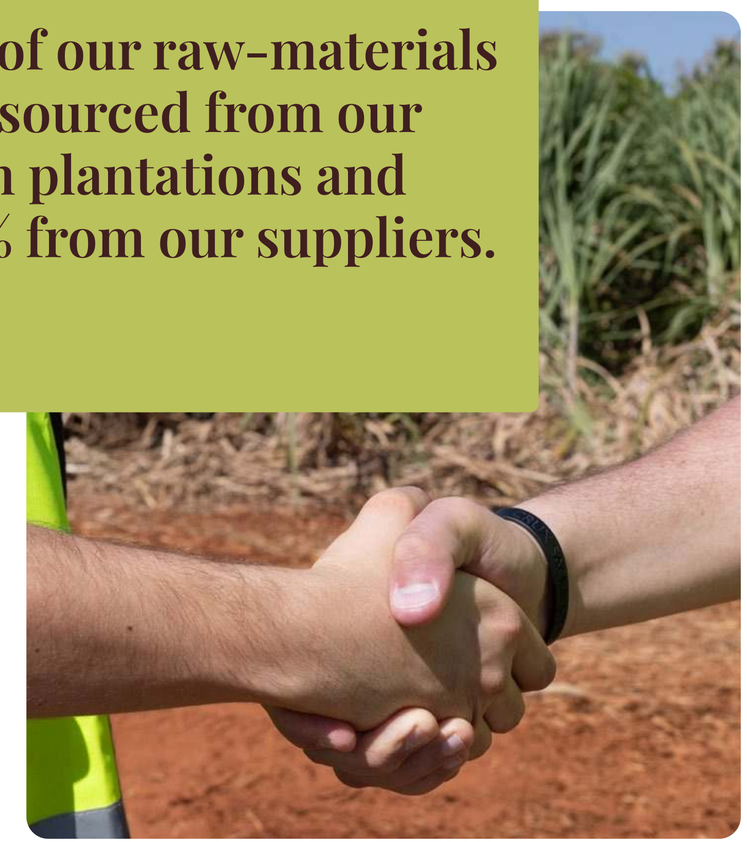
Tereos' chain of suppliers begins with the sugarcane producers, which provide the essential raw-material for the production of sugar, ethanol and derivatives. Also forming part of the chain are the suppliers of inputs, materials, equipment and services, in both the agricultural and industrial areas. [GRI 2-6]

Around 67.8% of the campaign budget is destined to local suppliers of inputs, materials, services and logistics. The geographical limit has been established at 90 km from the industrial units units, all located in the northeastern region of the state of São Paulo. [GRI 204-1]

In order to guarantee good practices in the procurement processes, we have a goods and services acquisition policy. All our contracts contain clauses relating to respect for human rights, and the prohibition of child, degrading or compulsory labor.

At the end of the 2023-2024 campaign, we began the process of ratifying the suppliers of raw materials and all current and new service providers, which contributed to the detailed mapping of socio-environmental risks. Since then, 625 suppliers have been ratified, meaning 23% of the total. [GRI 308-1 | 409-1 | 414-1]

51% of our raw-materials are sourced from our own plantations and 49% from our suppliers.



How we engage our partner producers of raw-materials

Amigo Produtor Program

To encourage more integration between our production chain, we share the best practices with our suppliers in the form of six pillars: safety, technical support, assistance, services, purchases and sustainability.

Basically, the program provides a structured form of communication focused on the suppliers, in the form of a website and mobile app for the day-to-day management of the operations, and a team of agronomic engineers who are available to the supplier, as well as agricultural training during field days and a technical meeting at the end of the crop cycle. Through the Parters' Club, the strategic producers also receive support in their purchase of agricultural inputs, thus ensuring that the product is available at a more competitive price.

Amigo Produtor Sustentável

This initiative came about as part of the *Amigo Produtor* program, being focused on the promotion of sustainable farming, with guidance on environmental and labor legislation and technical support for FSA (Farm Sustainability Assessment) certification by the SAI (Sustainable Agriculture Initiative) platform. The socio-environmental management practices are monitored by the Tactical Supply Committee.

Furthermore, at the beginning and end of each campaign, we hold exclusive events for the farmers. This is an opportunity for us to share perspectives and results, as well as show our appreciation of the certifications obtained with the awarding of trophies that recognize the evolution of the learning and practices.

GRI and SASB summary and annexes

GRI Summary

Declaration of use – Tereos has reported information relating to its operations during the period between January 1 and December 31, 2023, based upon the GRI Reporting Standards.

GRI Standard 1 used – 2021

GRI Sectoral Standard(s) applied – GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
GRI 2: GENERAL DISCLOSURES 2021								
The organization and its reporting practices	2-1 Organizational details	Pages 9 and 18. Tereos' head offices are located at Rod. Assis Chateaubriand, km 155 – Baguaçu, Olímpia – SP, zip code 15400-000 Globally, Tereos has 43 industrial units distributed across 15 countries (Belgium, Brazil, the Czech Republic, France, Germany, India, Indonesia, Italy, Kenya, Singapore, Spain, Tanzania, the United Kingdom, the United States and Vietnam).						Y
	2-2 Entities included in the organization's sustainability reporting	Tereos Commodities Brasil was included in the administrative report. As this is non-financial entity, it was not included in the sustainability report. Furthermore, Tereos Commodities Brasil is not involved in activities that have a direct or significant impact on environmental, social or governance matters, which may be considered irrelevant for inclusion in the sustainability report.						Y
The organization and its reporting practices	2-3 Reporting period, frequency and contact point	Page 3.						N
	2-4 Restatements of information	Pages 35, 60, 61, 94, 95 and 96.						N
	2-5 External assurance	Page 3.						N

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
Activities and workers	2-6 Activities, value chain and other business relationships	Pages 10, 17 and 75.				3		N
	2-7 Employees	Pages 57 and 92.						N
	2-8 Workers who are not employees	Pages 57 and 93.				8, 10		N
Governance	2-9 Governance structure and composition	Pages 9 and 18.						Y
	2-10 Nomination and selection of the highest governance body	Does not apply to Brazil, due to the fact that the company is a privately held company with the Executive Board located in France. The members of the highest governing body form part of a Board that is based in France, meaning the criteria adopted to nominate them are not defined by Brazil.						N
	2-11 Chair of the highest governance body	Not applicable, the president does not hold any additional positions within the company.						Y
	2-12 Role of the highest governance body in overseeing the management of impacts	Pages 19 and 21.				16		Y
	2-13 Delegation of responsibility for managing impacts	Pages 18, 20 and 23.				5, 16		N
	2-14 Role of the highest governance body in sustainability reporting	The approval and validation of the reported information is done by the directors of TSEB.				16		N
	2-15 Conflicts of interests	Page 22.				5, 16		Y
	2-16 Communication of critical concerns	Page 21.				16		Y
	2-17 Collective knowledge of the highest governance body	Page 25.						N
	2-18 Evaluation of the performance of the highest governance body	Page 19.						Y

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
Governance	2-19 Remuneration policies	As such, we have adopted as a principle the best practices of meritocracy, providing competitive salaries and salary reviews based upon merit, promotions and variable remuneration programs, based upon measurable and qualitative goals, and behavioral assessment.						N
	2-20 Process to determine remuneration	Management of remuneration is based upon external market studies.				16		N
	2-21 Annual total compensation ratio		2-21	Confidentiality.	The reporting of this indicator goes against our internal regulations of confidentiality concerning sensitive information.			N
Strategy, policies and practices	2-22 Statement on sustainable development strategy	Pages 4 and 5.						Y
	2-23 Policy commitments	Pages 57 and 70.						N
	2-24 Embedding policy commitments	Pages 21 and 22.						Y
	2-25 Processes to remediate negative impacts	Pages 23 and 73.						Y
	2-26 Mechanisms for seeking advice and raising concerns	Page 23.						N

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
Strategy, policies and practices	2-27 Compliance with laws and regulations	Considering the materiality criteria established (fines of minimum sums of up to US$ 10,000.00), there were no significant penalties during the period. The company currently figures as a party in administrative and judicial processes of an environmental nature, related principally to the occurrence of fires on sugarcane plantation areas. This is a common situation for the sugar and ethanol sector, where, in a large part of these types of cases, the environmental authorities impose sanctions based solely on the acquisition, development or harvesting of sugarcane planted in areas affected by fires, when the origin is unknown or criminal. Tereos has filed its defenses in all the cases challenging the application of the fines. Over the course of the 2023-2024 campaign, Tereos figured as a party in administrative procedures of a labor nature filed with the Ministry of Labor and Social Security, which applied infraction notices for alleged non-compliance with its Regulatory Norms, principally in relation to the labor activities on the plantations – a common situation in the sugar and ethanol segment. Tereos has filed its defenses in all those cases in which it disagrees with the infraction notices. It should be mentioned that the Company constantly inspects its work spaces and environments and also requires compliance with the law – including by its service providers. Finally, the company reinforces its commitment to ensuring working conditions in line with the standards of the International Labour Organization (ILO), Brazilian Legislation and the Tereos Group's Code of Ethics.						Y
Strategy, policies and practices	2-28 Membership of associations	Page 74.				16		Y

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
Stakeholder engagement	2-29 Approach to stakeholder engagement	The most important stakeholders, such as local communities, workers, suppliers, clients and civil society organizations, are identified by means of the mapping and analysis of their interactions and impacts on the company. Engagement takes place in the form of consultations, meetings, surveys and open communication channels, with the aim of understanding their expectations and concerns, guaranteeing that their opinions are considered in the decision-making and establishing trusting and collaborative relations.						Y
	2-30 Collective bargaining agreements	Page 57.				8		N
GRI 3: MATERIAL TOPICS 2021								
	3-1 Process to determine material topics	Page 14.				17		N
	3-2 List of material topics	Page 15.						N
MANAGEMENT OF WATER AND EFFLUENTS								
GRI 303: Water and Effluents 2018	3-3 Governance of material topics	Page 40.						N
	303-1 Interactions with water as a shared resource	Page 42.				6, 12		Y
	303-2 Management of water discharge-related impacts	Page 42.				6		Y
	303-3 Water withdrawal	Page 93.				6		Y
	303-4 Water discharge		303-4	Information not available.	The Company does not manage its water discharge.	6		S

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
GRI 303: Water and Effluents 2018	303-5 Water consumption		303-5	Information not available.	The Company has still not completed construction of its units' water balances and as there is no information available concerning the available water, it is not possible to calculate the water consumption requested by the GRI. We consider the consumption level to be equal to the withdrawal level.	6		Y
INNOVATION, TECHNOLOGY AND GOOD AGRICULTURAL PRACTICES								
GRI 3: Material topics 2021	3-3 Governance of material topics	Page 23.						N
MANAGEMENT AND TRACEABILITY OF THE SUPPLY CHAIN								
GRI 3: Material topics 2021	3-3 Governance of material topics	Page 75.						N
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 75.				8		Y
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using social criteria	Page 75.						N
	308-2 Negative environmental impacts in the supply chain and actions taken	We performed a survey by means of the Agrotools platform, evaluating the situation of the Environmental Rural Registers of the leased and supplying properties, analysis of deforestation and previous soil use, as well as a social evaluation. Of all the properties surveyed, we did not identify any current negative points nor any potential negative points relating to environmental impacts.						N

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Pages 70 and 75.				5, 8, 12, 16		N
	414-2 Negative social impacts in the supply chain and actions taken	We did not identify any current negative points nor any potential negative points relating to environmental impacts on any of the properties surveyed.						
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.23.1 – Governance of material topics	Page 54.						N
	13.23.2 – Traceability of the supply chain Describe the level of traceability in place for each product sourced	Our process requires that 100% of the sugarcane entering our industrial plants contains information relating to the cargo's block and plot of origin, be it provided automatically (totem) or manually (service order sheet). As such, all the sugarcane trucks entering the units for processing are traced back to their block and plot origin. In this way, by knowing the origin, we are able to identify the supplier, contract status and general information on the sugarcane (variety, age and estimated productivity, for example).						
	13.23.3 – Traceability of the supply chain Report the percentage of sourced volume certified to internationally recognized standards	We hold the Bonsucro certification for our own sugarcane (leasing) and work with the FSA-SAI Platform (version 3.0) to attest to the sustainability of our suppliers. We ended the 2023-2024 campaign with the following figures: Bonsucro: 51.10% FSA-SAI: 14% Total certified milled sugarcane: 65.11%						N

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.23.4 – Traceability of the supply chain Describe improvement projects to get suppliers certified to internationally recognized standards	The number of FSI-SAI certificates held by our suppliers is growing exponentially. In the most recent campaign (23/24), 18 of our suppliers were certified. To achieve this figure, we made visits in order to present the internationally recognized platform, and presented trophies to those suppliers which obtained the FSA-SAI certificate during the campaign. These awards are presented at the end of the campaign, with all the suppliers present, which has engaged and encouraged the other suppliers to contact us with the intention of joining the project.						
CLIMATE CHANGE AND ENERGY TRANSITION								
GRI 3: Material topics 2021	3-3 Governance of material topics	Page 31.						N
GRI 201: Economic performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Pages 25, 30, 32, 33, 48 and 51.				13		N
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Pages 36 and 95.				7, 8, 12, 13		N
	302-2 Energy consumption outside the organization	Page 96.				7, 8, 12, 13		N
	302-3 Energy intensity	Page 96.				7, 8, 12, 13		N
GRI 305: Emissions 2016	305-1 Direct (Scope 1) emissions of greenhouse gases (GHG)	Pages 34 and 97.				3, 12, 13, 14, 15		Y
	305-2 Indirect emissions (Scope 2) of greenhouse gases (GHG) arising from the acquisition of energy	Page 97.				3, 12, 13, 14, 15		Y

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Page 98.				3, 12, 13, 14, 15		Y
	305-4 Intensity of emissions of greenhouse gases (GHG)	Page 98.				13, 14, 15		Y
	305-5 Reduction of emissions of greenhouse gases (GHG)	There was no reduction of greenhouse gas emissions during the fiscal year.				13, 14, 15		Y
	305-6 Emissions of ozone depleting substances (ODS)	There are no activities that emit ODS in Tereos' industrial and agricultural operations.				3, 12		Y
	305-7 Emissions of NO_x, SO_x, and other significant air emissions	Page 98.				3, 12, 14, 15		Y
HEALTH, WELFARE AND SAFETY								
GRI 3: Material topics 2021	3-3 Governance of material topics	Page 65.						
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	Pages 67 and 68. The occupational health and safety management system was implemented in accordance with the legal requirements, especially NR1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, 23, 26, 31, 32, 33 and 35), Brazilian Regulations and Fire Department Technical Instructions, amongst others.				3, 8, 12		Y
	403-2 Hazard identification, risk assessment and incident investigation	Page 67.				3, 8, 12		Y
	403-3 Occupational health services	Page 68.				8		Y
	403-4 Worker participation, consultation, and communication on occupational health and safety	Pages 66 and 67.				8, 16		Y
	403-5 Worker training on occupational health and safety	Pages 66 and 68.				8		Y

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
	403-6 Promotion of worker health	Pages 65 and 68.				3, 8, 12		Y
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 68.				8		S
GRI 403: Occupational health and safety 2018	403-8 Workers covered by an occupational health and safety management system	All employees are monitored by means of the PCMSO, which performs all the exams required to meet currently applicable legislation. In relation to service providers, we request the PCMSO and all necessary exams (A. S. O) at the time of contracting. These are monitored on an annual basis, at which time they are required to renew their onboarding and perform all the exams again.				8		Y
	403-9 Work-related injuries	Pages 68 and 69.				3, 8, 12, 16		Y
	403-10 Work-related ill health	Pages 68 and 69. There were no fatalities or cases of work-related illness during the 2023-2024 campaign. The dangers that present risks of work-related illness are identified using a number of tools implemented by the SEJA program, such as the WRAC (Risk Inventory).				3, 8, 16		Y
DIVERSITY, INCLUSION AND EQUITY								
GRI 3: Material topics 2021	3-3 Governance of material topics	Pages 20 and 60.						N
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 60, 63 and 64.				5, 8, 10		Y
	405-2 Ratio of basic salary and remuneration of women to men	Page 61.				5, 8, 10		Y

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	The Company received reports of eight cases of discrimination, six of which have been finalized and two in which investigation is still under way. All are presented and examined by the Diversity Committee, which makes a collective decision. Whenever there are cases that involve matters of diversity, internal actions are recommended that should be replicated in either the area, sector, or the entire company. These recommendations mainly involve communication and training actions. Depending upon the seriousness of the case, recommendations may also be made for application of the consequences management policy.				5, 8		Y
GRI 408: Child Labor 2016	408-1 Operations and suppliers considered to have significant risk for incidents of child labor	Page 70. There is no significant risk of the occurrence of child, forced and/or compulsory labor in our production chain. The risk presented is managed by means of expert monitoring, visits to the suppliers and FSA-SAI sustainability certification, amongst other actions.				5, 8, 16		Y
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Pages 70 and 75.				5, 8		Y
CIRCULAR ECONOMY AND WASTE MANAGEMENT								
GRI 3: Material topics 2021	3-3 Governance of material topics	Pages 43 and 48.						N
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 43.				3, 6, 11, 12		N
	306-2 Management of significant waste-related impacts	Pages 43, 48 and 49.				3, 6, 8, 11, 12		N
	306-3 Waste generated	Pages 43 and 94.				3, 6, 11, 12, 15		N
	306-4 Waste diverted from final disposal	Page 94.				3, 11, 12		N

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
GRI 306: Waste 2020	306-5 Waste directed to final disposal	Page 95.				3, 6, 11, 12, 15		N
BIODIVERSITY, ECOSYSTEMS AND LAND USE								
GRI 3: Material topics 2021	3-3 Governance of material topics	Pages 42 and 50.						N
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside environmentally protected areas	Page 42.	304-1	N.A.	There are no protected areas or areas of high biodiversity value outside environmentally protected areas in the regions adjacent to the Company's operational units.	6, 14, 15		Y
	304-3 Habitats protected or restored	Page 42.				6, 14, 15		Y
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.5 Soil health	Page 51.				2, 15		Y
	13.6 Pesticides use	Page 51.				2, 3, 12		Y
COMMUNITY RELATIONS AND LOCAL DEVELOPMENT								
GRI 3: Material topics 2021	3-3 Governance of material topics	Page 71.						Y
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Pages 36 and 42.				5, 9, 11		
	203-2 Significant indirect economic impacts	Pages 72 and 73.				3, 8, 10		

GRI Standard	Content	Page / Response	Omission			SDGs	Global Compact	External assurance (Y/N)
			Requirement omitted	Reason	Explanation			
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving the rights of indigenous peoples	There were no incidents of violations involving the rights of indigenous peoples. It is important to stress that Tereos' operations are not geographically located near to the lands of indigenous peoples.						
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	Pages 60 and 71.				1, 10, 11		Y
	413-2 Operations with significant (actual and potential) negative impacts on the local communities	Page 71.				1, 2		Y
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.13 Rights to land and natural resources	Page 71.				1, 2, 10		N
	13.14 Rights of indigenous peoples	There were no incidents of violations involving the rights of indigenous peoples. It is important to stress that Tereos' operations are not geographically located near to the lands of indigenous peoples.				2, 10		N
INDICATORS THAT ARE NOT STRATEGICALLY MATERIAL TO THE COMPANY.								
ANTI-CORRUPTION								
GRI 205: Anti-corruption 2016	205-2 Communication and training on anti-corruption policies and procedures	Page 22.				16	10	
TRAINING AND EDUCATION								
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition of assistance programs	Page 58.				8		

SASB Summary

SASB Standard	Content	GRI x SASB correlation	Page
Emissions of greenhouse gases	FB-AG-110a.1 Gross global Scope 1 emissions	GRI 305-1	Page 97.
	FB-AG-110a.2 Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emission-reduction targets, and an analysis of performance against those targets	GRI 201-2	Page 33.
	FB-AG-110a.3 Fleet fuel consumed, percentage renewable	GRI 302-1	Pages 36 and 95.
Energy management	FB-AG-130a.1 (1) Operational energy consumed, (2) percentage of grid electricity, (3) percentage of renewable energy	GRI 302-1	Pages 36 and 95.
Water management	FB-AG-140a.1 (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	GRI 303-3 | 303-5	Page 93.
	FB-AG-140a.2 Description of the risks of water management and discussion of strategies and practices to mitigate these risks	GRI 303-1	Page 42.
	FB AG-140a.3 Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations.	GRI 2-27	Page 81.
Occupational health & safety	FB-AG-320a.1 (1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	GRI 403-9	Page 69.
Social and environmental impacts in the ingredients supply chain	FB-AG-430a.1 Percentage of agricultural products that are certified to a third-party environmental and/or social service	N/A	
	FB-AG-430a.3 Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing		Page 22.
Purchase of ingredients	FB-AG-440a.1 Identification of principal crops and description of risks and opportunities presented by climate change		Page 25.
	FB-AG-440a.2 Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress	N/A	
Activity metrics	FB-AG-000.A Production by principal crop		
	FB-AG-000.B Number of processing facilities		Page 11.
	FB-AG-000.C Total land area under active production		Page 9.

Annexes

Permanent and temporary employees, by gender and region[1,2,3]

[GRI 2-7]

Units/regions	Non-guaranteed hours		Permanent		Temporary		Total (permanent and temporary)	
	Female	Male	Female	Male	Female	Male	Female	Male
BSC	42	104	181	298	2	0	183	298
RJ DC	0	1	8	60	0	0	8	60
São Paulo office	2	3	7	5	0	0	7	5
Andrade	4	33	74	1,115	29	84	103	1,199
Tanabi	1	35	121	1,108	8	15	129	1,123
Vertente	3	31	120	987	4	3	124	990
Cruz Alta	5	50	171	2,035	3	74	174	2,109
Mandu	3	31	113	1,225	14	67	127	1,292
São José	1	40	115	1,183	9	29	124	1,212
Total	61	328	910	8,016	69	272	979	8,288

[1] The category of part-time employees does not apply to Tereos.

[2] Data drawn from the personnel management system on December 31, 2023. Trainees and apprentices were not included in the total number of employees.

[3] The internalization of processes in the operation resulted in a significant increase in the number of employees when comparing 2022 and 2023 (11% more).

Workers who are not employees[1]

[GRI 2-8]

Units/regions	Men	Women
BSC	45	53
RJ DC	0	4
São Paulo office	0	2
Andrade	24	35
Tanabi	31	21
Vertente	20	34
Cruz Alta	41	72
Mandu	28	25
São José	28	29
Total	217	275

[1] The most common types of workers who are not employees and their contractual relations with the organization are trainees with an employment relationship and trainees without an employment relationship on learning and training programs working in support positions.

Water withdrawal - Volume of water withdrawn per source[1] (thousands of liters)

[GRI 303-3 | SASB FB-AG-140a.1]

	2021-2022	2022-2023	2023-2024
Surface waters / Fresh water[2]	7,690.19	9,089.00	11,139.52
Ground waters / Fresh water[2]	2,903.39	2,777.33	3,161.75
Total Volume	10,593.58	11,866.33	14,301.27

[1] Data obtained using the Gatec system. There were no records of water being withdrawn from areas experiencing hydro-stress.

[2] ≤1,000 mg/l of Total Dissolved Solids.

[3] Data consolidated as of the first milling day of each unit.

Waste generated[1] (tons)

[GRI 306-3]

Categories	Type	2021-2022	2022-2023	2023-2024
Category A2	Hazardous	795.2	816.4	945.0
Category B3	Non-hazardous	460.9	541.4	573.5
Category C4	Non-hazardous	3,204.0	3,859.3	4,134.6
Category D5	Non-hazardous	88.3	95.2	39.0
Category E6	Non-hazardous	2,317.2	2,145.2	2,452.7
Total		6,865.5	7,457.4	8,144.7

[1] The Company has revised its data for the 2021-2022 campaign in relation to those published in the previous report (2022-2023), in order to comply with the classification of the origin of waste and risk level established by the National Solid Waste Policy. [GRI 2-4]

[2] Category A: Class 1 Hazardous waste – Optimization of the annual waste generation system, screening, and disposal of waste arising from water-oil separator tank systems, electronic waste, contaminated lubricant oils (OLUC) and contaminated paint drums and cans.

[3] Category B: Landfilling – We maintained our internal waste management programs relating to the sorting and salvaging of recyclable, recoverable (composting) and reusable waste materials.

[4] Category C: Third parties (scrap metal) – We continued our project, launched in 2018, to decommission inactive and obsolete assets, sending these materials to a scrap metal salvaging company, along with the routine generation of scrap metal arising from off-season maintenance and activities at the industrial units;

[5] Category D: Recovery (composting) – Waste arising from the internal activities of the canteens.

[6] Category E: Third parties (recyclables) – We maintained our internal waste management programs relating to classification, thereby optimizing and salvaging recyclable and reusable waste materials.

Waste diverted from final disposal – recovered [1,2]

[GRI 306-4]

	2021-2022		2022-2023		2023-2024	
Non-hazardous waste	Onsite	Offsite	Onsite	Offsite	Onsite	Offsite
Preparation for reuse	88.3	0	95.2	0	39.0	0
Recycling	0	5,521.1	0	6,004.5	0	6,587.3
Total non-hazardous	88.3	5,521.1	95.2	6,004.5	39.0	6,587.3
Hazardous waste						
Co-processing	0	795.2	0	816.4	0	945.0
Total hazardous waste	0	795.0	0	816.0	0	945.0
Total recovered waste	88.3	6,316.4	95.2	6,820.9	39.0	7,532.3

[1] The Company has revised its data for the 2021-2022 campaign in relation to those published in the previous report (2022-2023), in order to comply with the classification of the origin of waste and risk level established by the National Solid Waste Policy. [GRI 2-4]

[2] The data were compiled using our SGA control system.

Waste sent for final disposal [1,3]

[GRI 306-5]

Non-hazardous waste	2021-2022		2022-2023		2023-2024	
	Onsite	Offsite	Onsite	Offsite	Onsite	Offsite
Total waste sent for final disposal (Landfill)	0	460.9	0	541.4	0	573.5

[1] The Company has revised its data for the years 2021-2022 in relation to those published in the previous report (2022-2023), in order to comply with the classification of the origin of waste and risk level established by the National Solid Waste Policy. [GRI 2-4]

[3] The data were compiled using the tracking information – SGA LWART.

Energy consumption within the organization (GJ)

[GRI 302-1 [SASB FB-AG-130a.1] FB-AG-110a.3]

Fuels from non-renewable sources	2021-2022	2022-2023	2023-2024
Diesel	909,235.2 GJ	1,292,144.3 GJ	1,475,910.5 GJ
Gasoline	1,131.2 GJ	551.4 GJ	975.6 GJ
LPG	3,011.8 GJ	13,987.8 GJ	15,475.4 GJ
Total fuels from non-renewable sources (A)	913,378.2 GJ	1,306,683.5 GJ	1,492,361.4 GJ

Fuels from non-renewable sources	2021-2022	2022-2023	2023-2024
Sugarcane bagasse	37,827,548.0 GJ	38,239,078.2 GJ	37,477,255.6 GJ
Ethanol	49,943.7 GJ	52,341.9 GJ	57,313.1 GJ
Biodiesel	121,412.4 GJ	134,027.2 GJ	187,881.1 GJ
Total fuels from renewable sources (B)	37,998,904.2 GJ	38,425,447.4 GJ	37,722,449.8 GJ

Energy consumed	2021-2022	2022-2023	2023-2024
i. electricity consumption (GJ)	52,073.3 GJ	59,702.2 GJ	56,874.5 GJ
Total energy consumed (C)	52,073.3	59,702.2	56,874.5

Energy sold	2021-2022	2022-2023	2023-2024
i. electricity sales (GJ)	2,419,048.8 GJ	2,612,145.3 GJ	2,721,023.2 GJ
i. steam sales (GJ)	1,512,313.4 GJ	1,837,721.8 GJ	1,904,068.4 GJ
Total energy sold (D)	3,931,362.1	4,449,867.2	4,625,091.6

	2021-2022	2022-2023	2023-2024
Total consumption of fuels from non-renewable sources (A)	913,378.22 GJ	1,306,683.53 GJ	1,492,361.41 GJ
Total consumption of fuels from renewable sources (B)	37,998,904.15 GJ	38,425,447.36 GJ	37,722,449.80 GJ
Total energy consumed (C)	52,073.32 GJ	59,702.20 GJ	56,874.54 GJ
Total energy sold (D)	3,931,362.13 GJ	4,449,867.18 GJ	4,625,091.57 GJ
Total consumption of energy in the organization (A + B + C - D)	35,040,004.81	35,341,965.90	34,646,594.20

[1] No energy is consumed for heating or cooling purposes.

[2] All the data was drawn from Tereos' industrial, agricultural and accounting systems (Gatec and SAP), and the energy purchase and sale information was drawn from the CCEE and CPFL systems.

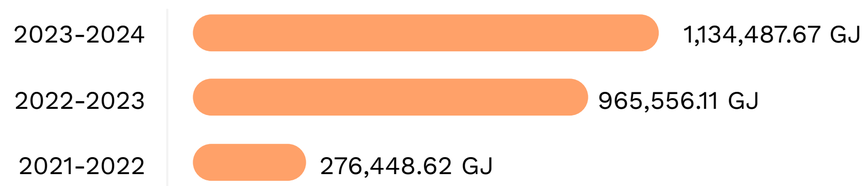
[3] The diesel consumed refers to the agricultural, industrial, administrative and logistics activities (the company's own fleet and stationary motors and irrigation pumps); the gasoline consumed refers to the agricultural, industrial, administrative and logistics activities (the company's own fleet); and LPG was used as a fuel for the stackers and in the canteens.

[4] Included in the calculations were the conversion factors relating to the specific mass and lower calorific values of the fuels, being drawn from the 2022 National Energy Balance (base-year 2021), published by the Energy Research Company (EPE). For biodiesel, the attributed percentage considers the source: https://acesse.one/mA9eW

[5] The data for the 2021-2022 campaign were revised and, as such, they are not the same as those published in the most recent report (2022-2023). The revision forms part of a methodological adjustment and correction of the double counting related to the consumption of sugarcane bagasse and steam. [GRI 2-4]

Energy consumption outside the organization (GJ)

[GRI 302-2]



Included in the calculations were the conversion factors relating to the specific mass and lower calorific values of the fuels, being drawn from the 2022 National Energy Balance (base-year 2021), published by the Energy Research Company (EPE). For biodiesel, the attributed percentage considers the source: https://acesse.one/mA9eW

Energy intensity[1] (GJ/tons of sugarcane processed)

[GRI 302-3]

Classification	2021-2022	2022-2023	2023-2024
Within the organization	4.29	2.04	1.64
Outside the organization	0.02	0.05	0.05

[1] Energy intensity within the organization: fuel, electricity, steam. Energy intensity outside the organization: fossil and renewable fuels in the agricultural, industrial and administrative operations performed by third parties.

Direct emissions of greenhouse gases[1,2] – Scope 1 (tCO_2eq)

[GRI 305-1 | SASB FB-AG-110a.1]

	2021	2022	2023
Generation of electricity, heat or steam	75,408.35	75,929.46	94,992.11
Physico-chemical processing	151,198.83	157,417.68	216,022.24
Transportation of materials, products, waste, employees and passengers	84,145.66	96,222.21	105,027.22
Fugitive emissions	503.38	1,438.01	1,437.44
Total emissions within the scope[1]	311,256.22	331,007.35	417,479.00

[1] The greenhouse gas emissions inventory is performed using the calendar year. As such, the reporting of the indicators relating to the emissions is based upon the calendar-year, which is different to the other indicators that are reported using the campaign.

[2] Gases included in the calculations: CO_2, CH_4, N_2O. Base Year: The base year chosen was 2018, since this was the year of the first audited inventory. Consolidation approach: operational control. The source used for the emission factors and the Global Warming Potential (GWP) was the Brazilian GHG Protocol Program. The principal norms considered were: IPCC (Intergovernmental Panel on Climate Change, 2006); ABNT NBR ISO 14064-1: 2007; GHG Protocol.

Biogenic emissions of CO_2[1,3] – Scope 1 (tCO_2eq)

[GRI 305-1 | SASB FB-AG-110a.1]

2021	2022	2023
3,882,033.40	4,254,118.56	5,273,145.46

[1] The greenhouse gas emissions inventory is performed using the calendar year. As such, the reporting of the indicators relating to the emissions is based upon the calendar-year, which is different to the other indicators that are reported using the campaign.

[3] Gases included in the calculations: CO_2, CH_4, N_2O. Base year: the emissions are calculated based on the fiscal year (January to December of the current year) in line with the recommendations of the GHG Protocol. Consolidation approach: operational control. The source used for the emission factors and the Global Warming Potential (GWP) was the Brazilian GHG Protocol Program. The principal norms considered were: IPCC (Intergovernmental Panel on Climate Change, 2006); ABNT NBR ISO 14064-1: 2007; GHG Protocol.

Indirect emissions arising from the acquisition of energy (market-based) – Scope 2 (tCO_2eq)[2]

[GRI 305-2]

2021	2022	2023
2,291.68	17.08	703.31

[1] The greenhouse gas emissions inventory is performed using the calendar year. As such, the reporting of the indicators relating to the emissions is based upon the calendar-year, which is different to the other indicators that are reported using the campaign.

[4] Gases included in the calculations: CO_2, CH_4, N_2O. Base Year: The base year chosen was 2018, since this was the year of the first audited inventory, in which the total emissions were 2,543.10 tCO_2eq. Consolidation approach: operational control. The source used for the emission factors and the Global Warming Potential (GWP) was the Brazilian GHG Protocol Program. The principal norms considered were: IPCC (Intergovernmental Panel on Climate Change, 2006); ABNT NBR ISO 14064-1: 2007; GHG Protocol.

Direct emissions of greenhouse gases[1,4] – Scope 3 (tCO_2eq)

[GRI 305-3]

Upstream	2021	2022	2023
Commodities and services acquired	36,931.20	265,487.31	303,550.73
Activities related to energy and fuels	19,586.31	41,612.62	29,437.31
Transportation and distribution (outsourced fleet)	18,592.30	16,978.25	20,777.07
Waste generated in operations	880.32	811.52	831.74
Business travel	63.40	178.77	91.37
Employee transportation	1,540.71	1,303.80	1,153.20
Downstream			
Transportation and distribution (products sold by the organization)	102,593.63	87,465.91	137,886.53
Investments	9,589.98	12,764.38	13,886.61
Total emissions	189,777.85	426,602.56	507,614.54

[1] The greenhouse gas emissions inventory is performed using the calendar year. As such, the reporting of the indicators relating to the emissions is based upon the calendar-year, which is different to the other indicators that are reported using the campaign.

[4] Gases included in the calculations: CO_2. Base Year: The base year chosen was 2018, since this was the year of the first audited inventory, in which the total emissions were 2,543.10 tCO_2eq. Consolidation approach: operational control. The source used for the emission factors and the Global Warming Potential (GWP) was the Brazilian GHG Protocol Program. The principal norms considered were: IPCC (Intergovernmental Panel on Climate Change, 2006); ABNT NBR ISO 14064-1: 2007; GHG Protocol.

Intensity of greenhouse gas emissions[1,5] (tCO_2eq)

[GRI 305-4]

	2021	2022	2023
Total of GHG emissions	503,325.75	757,626.99	925,796.85
Tons of sugarcane processed	15,642,448	17,254,968	21,108,757.57
tCO_2eq/tons of sugarcane processed	0.032	0.044	0.044

[1] The greenhouse gas emissions inventory is performed using the calendar year. As such, the reporting of the indicators relating to the emissions is based upon the calendar-year, which is different to the other indicators that are reported using the campaign.

[5] Gases included in the calculations: CO_2, CH_4, N_2O. Scopes included: Scope 1 (direct emissions), Scope 2 (acquisition of electricity in agricultural regions) and Scope 3 (Categories: Goods and services purchased / Fuel and energy-related activities not included in Scope 1 or Scope 2 / Investments). Consolidation approach: operational control.

Emissions of NO_x, SO_x, and other significant air emissions (kg/h) [1,2]

[GRI 305-7]

Category	2021	2022	2023
NO_x	864	2,609	3,126
SO_x	541	347	585
Particulate matter (PM)	1,602	4,167	2,823

[1] The greenhouse gas emissions inventory is performed using the calendar year. As such, the reporting of the indicators relating to the emissions is based upon the calendar-year, which is different to the other indicators that are reported using the campaign.

[2] Source of emission factors used: sugarcane bagasse fueled boilers. The methodologies adopted for the significant atmospheric emissions results are in line with the internal operating procedures for atmospheric emissions (POPATM 001, 002, 003, 004, 005, 008, 009 and the technical directives of Cetesb L9.221, L9.222, L9.223, L9.224, L9.228m L9.229).

Workers covered by an occupational health and safety management system

[GRI 403-8]

	2022-2023				2023-2024			
	Employees	%	Workers[1]	%	Employees	%	Workers[1]	%
Individuals covered by an occupational health and safety management system based upon legal requirements and/or recognized standards/directives.	9,235	100%	2,562	100%	9,074	100%	2,934	100%
Individuals covered by an occupational health and safety management system based upon legal requirements and/or recognized standards/directives.[2]	0	0%	0	0%	0	0%	0	0%
Individuals covered by an occupational health and safety management system based upon legal requirements and/or recognized standards/directives.[2]	0	0%	0	0%	0	0%	0	0%

[1] Workers: workers who are not employees, but whose work and/or location of work is controlled by the organization.

[2] Auditing: No audits were conducted in the reported period.

SASB

Percentage of agricultural products that are certified to a third-party environmental and/or social service

[SASB FB-AG-430 a.1]

	2021-2022	2022-2023	2023-2024
Certified sugarcane (%)[1]	45.15	51.45	65.11

[1] The percentage takes into account our own sugarcane and that acquired from suppliers.

We are committed to achieving a level of 75% of our sugarcane being certified by the 2029-2030 campaign. In the 2022-2023, we achieved a percentage of 51.45%, taking into account the sugarcane drawn from our own operations and that acquired from suppliers.

In 2023-2024, we achieved the level of 65.11%, in line with our goal.

ASSURANCE STATEMENT

STATEMENT BY SGS DO BRASIL LTDA. (SGS) REGARDING THE SUSTAINABILITY ACTIVITIES PROVIDED IN "SUSTAINABILITY REPORT 2023-2024" FROM TEREOS AÇUCAR E ENERGIA BRASIL S/A.

NATURE AND SCOPE OF ASSURANCE

SGS was hired by TEREOS AÇUCAR E ENERGIA BRASIL S/A. to carry out the independent assurance of its SUSTAINABILITY REPORT 2023 -2024, which provides information about the 2023-2024 harvest (April 2023 to March 2024) and which follows international guidelines for monitoring and reporting sustainability information, including the Global Reporting Initiative (GRI). The scope of assurance, based on SGS's methodology for assurances in Sustainability reports, included the text and data related to the GRI Standards 2021 indicators, the current version of the GRI.

The information in the 2023-2024 SUSTAINABILITY REPORT and its presentation are the sole responsibility of the management structures of TEREOS AÇUCAR E ENERGIA BRASIL S/A. SGS was not part of the preparation of any material included in said report. Our responsibility was to express an opinion on the text, data, charts and statements within the scope of assurance, detailed below with the intention of informing the interested parties of TEREOS AÇUCAR E ENERGIA BRASIL S/A.

The SGS Group has developed a set of assurance protocols for Sustainability Communication based on the best practices provided in GRI Sustainability Reporting Standards, in its most up-to-date version of 2021, and the assurance standard International Standard on Assurance Engagements - ISAE3000. Such protocols offer different assurance levels depending on context and capacity of organization.

This report was ensured using our protocols for evaluating the veracity of the content and its alignment with the requirements aspects of the GRI Sustainability Reporting Standards 2021, Universal Standards (GRI 1_ Foundation 2021, GRI 2_ General Disclosures 2021, GRI 3_ Material Topics 2021) and also with the requirements of the Topic Standards (GRI 200, GRI 300 and GRI 400) in accordance with the material topics identified by TEREOS AÇÚCAR E ENERGIA BRASIL S/A through the process described in this report.

The assurance process comprised (i) interviews with strategic employees involved in the process of compilation and preparation of the report, where disclosures, data and processes related to sustainability management and the collection of GRI disclosures were reviewed, (ii) review of the documentation presented by TEREOS AÇUCAR E ENERGIA BRASIL S/A and comparison with the information entered by the company in the report and (iii) evaluation of versions of this report for alignment with GRI standards and (iv) analysis of engagement activities with defined parties (stakeholders) and assessment of the form of sustainability as defined materials were and inserted in the context of the organization and in the content of this sustainability report. The accounting information of TEREOS AÇUCAR E ENERGIA BRASIL S/A contained and referenced in the SUSTAINABILITY REPORT 2023" was not evaluated as part of this assurance process, but in a separate audit process. The information related to the inventory of greenhouse gases was verified and went through a specific audit process.

IMPARTIALITY AND COMPETENCE STATEMENT

The SGS Group is global lead in inspection, analysis, and verifications services, operating in more than 140 countries and rendering services that includes management system certification, audits and trainings on quality, environmental, social and ethic segments, sustainability assurance reports and greenhouse gases verification. The SGS attests your independence against TEREOS AÇUCAR E ENERGIA BRASIL S/A stating that is exempt from interest conflict with the organization, their subsidiary and stakeholders.
The assurance team was composed according to members' expertise, experience and competence for this activity, the team is composed of:
• An Audit Lead on Assurance of Sustainability Report, a Lead auditor on Socioenvironmental programs, Lead Auditor in Integrated Management Systems.

ASSURANCE OPINION

Regarding the verification carried out on the methodology, processes and data presented by TEREOS AÇUCAR E ENERGIA BRASIL S/A., we are sure that the information and data contained in the 2023-2024 SUSTAINABILITY REPORT are reliable and a balanced representation of the sustainability activities developed by TEREOS AÇUCAR E ENERGIA BRASIL S/A
SGS is of the opinion that the report can be used by the company's stakeholders as part of their company valuation processes.

In our opinion, based on the sample of what was verified and the documentation presented by TEREOS AÇUCAR E ENERGIA BRASIL S/A, the content of the report is partially in line with the requirements of the GRI Standards 2021, which are: apply the reporting principles, report the contents GRI 2: General Disclosures 2021, determine material topics, report the contents GRI 3: Material Topics 2021, report content of the standards for material topics, requirements that the organization has not met, publish a GRI index, provide a statement of use, and upon publication, notify the GRI.

RECOMMENDATIONS, FINDINGS AND CONCLUSIONS OF ASSURANCE

The TEREOS ACUCAR E ENERGIA BRASIL S/A Report, "Sustainability Report 2023-2024", **is a report based on the GRI 2021** Standards and the requirements of the Thematic Standards (GRI 200, GRI 300 and GRI 400). The Report presented **is based on the GRI Protocol**.

TEREOS AÇÚCAR E ENERGIA BRASIL S/A presents its Report with 09 material topics: 1. Climate change and energy transition, 2. Health, well-being and safety, 3. Biodiversity, ecosystems and land use, 4. Water and effluent management, 5. Supply chain management and traceability, 6. Innovation, technology and good agricultural practices, 7. Circular economy and waste management, 8. Relationship with communities and local development and 9. Diversity, inclusion and equity. In our view, material topics reflect the impacts of TEREOS AÇUCAR E ENERGIA BRASIL S/A's activities in a balanced manner, and the report partially covers information on all topics considered material for the sector and stakeholders, in accordance with GRI 3: Material Topics 2021.

As for the partial publication of information regarding the disclosures, the following disclosures have been partially met: 2-29 Stakeholder Engagement, 303-1 Interactions with water as a shared resource, 304-1; 304-2, 304-3, 304-4 – Biodiversity, 404-3 Percentage of employees who receive regular performance and career development evaluations, as required and in Item 3-3 of this topic, always considering the list of material topics defined by the organization and the organization's decision not to adhere, since this report is based on the requirements of the GRI and not in accordance with it.

Recommendation: Biodiversity as a material theme should reflect the relevance of all the efforts undertaken by TEREOS AÇUCAR E ENERGIA BRASIL S/A since it is a material theme. This report does not address the borders with biodiversity preservation areas and studies for the protection of wild species.

SGS believes in the importance of transparency and congratulates the company for the initiative of ensuring its report, as well as promoting sustainability in its actions and disseminating its code of conduct and compliance at all levels of the organization.

August 13th, 2024
Executed by and on behalf of SGS.

Gustavo Venda
Business Manager - Sustainability

Eliane M. M. Fukunaga
Lead Auditor for Sustainability Report

Credits

Tereos Sugar & Energy Brazil

General Coordination

Sustainability & Communication

GRI Consulting, Content and Design

Juntos | Approach Comunicação

Photos

Diego Padgurschi & Tereos Sugar
& Energy Brazil image bank

Revision

Catalisando Conteúdo

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