FS Agrisolutions Indústria de Biocombustíveis Ltda.

PROGRAMMATIC PRE-ISSUANCE VERIFICATION LETTER

BIOENERGY, AGRICULTURE CRITERIA OF THE CLIMATE BONDS STANDARD
Type of engagement: Assurance Engagement
Period engagement was carried out:
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Approved verifier: Sustainalytics
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Scope and Objectives

FS Agrisolutions Indústria de Biocombustíveis Ltda. ("FS" or the "Company") developed the FS Green Bond Framework (the "Framework")[1] under which it intends to issue green bonds and obtain green loans to finance or refinance projects related to the production of biofuels. These projects are expected to facilitate the transition to a low carbon economy by increasing the availability of low carbon fuels. FS has engaged Sustainalytics to review its Green Debt Instruments (the "Nominated Projects") and verify that it meets the Pre-Issuance Requirements of the Climate Bonds Standard.[2]

FS produces corn-based bioethanol and other ancillary products. Founded in 2016 and headquartered in São Paulo, Brazil, FS set up Brazil's first corn-based ethanol plant in 2017 and produces ethanol, animal nutrition products and bioenergy exclusively from corn.

Pre-Issuance Evaluation Criteria

Pre-Issuance requirements of the Climate Bonds Standard Version 4.3:

- Use of Proceeds
- Evaluation and Selection of Projects, including conformance with the relevant Sector Criteria
  - Bioenergy Criteria (version 1.3)[3]
    - Facilities producing biofuel for transport
  - Agriculture Criteria (version 2)[4,5]
    - Crops: Requirements for whole Agricultural Production Units
- Management of Proceeds
- Reporting

Issuing Entity's Responsibility

FS is responsible for providing information and documents relating to:

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[1] FS Green Bond Framework (January 2024), at: https://www.fs.agr.br/wp-content/uploads/sites/1010/2024/07/v.2-Green-Bond-Framework-FS-1.pdf
[2] Climate Bonds Initiative, Climate Bonds Standard Version 4.3, at: https://www.climatebonds.net/files/documents/CBI_Standard_V4.3_FINAL_2025-08-20-102147_gbqn.pdf
[3] Climate Bonds Initiative, Bioenergy Criteria version 1.3, at: https://www.climatebonds.net/files/documents/Climate-Bonds_Sector-Criteria-Bioenergy_Criteria-document_August-2022.pdf
[4] Climate Bonds Initiative, Agriculture Criteria version 2, at: https://www.climatebonds.net/files/documents/Climate-Bonds_Agriculture-sector-critieria_Jun-2021.pdf
[5] Sustainalytics notes that FS has used the Climate Bonds Standard's Agriculture Criteria as a proxy to meet the feedstock certification requirements outlined under the Bioenergy Criteria.

- The details concerning the selection process for the Nominated Projects.
- The details of the Nominated Projects.
- The management systems for internal processes and controls for projects, including tracking of proceeds, managing unallocated proceeds and earmarking funds to projects.
- The details of the issuer's commitments prior to issuance for reporting, including investment areas, management of unallocated proceeds and frequency of periodic assurance engagements.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of the green debt instruments to provide an independent opinion on its conformance with the Pre-Issuance Requirements of the Climate Bonds Standard.

Sustainalytics has relied on the information and the facts presented by FS with respect to the Nominated Projects. Sustainalytics is not responsible, nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by FS.

Sustainalytics makes all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over the assessment of the bond.

Verifier's Responsibility

Sustainalytics conducted the verification in accordance with the Climate Bonds Standard Version 4.3 and with International Standard on Assurance Engagements 3000 (ISAE 3000).

The work undertaken as part of this engagement included conversations with relevant FS employees and the review of relevant documentation to assess the conformance of the green debt instruments with the Climate Bonds Certification Pre-Issuance Requirements.

Conclusion

FS intends to issue green debt instruments to finance or refinance projects for the development, construction, operation and maintenance of biofuel production facilities and to purchase corn feedstock for biofuel production.

Based on the limited assurance procedures conducted, nothing has come to Sustainalytics' attention that causes us to believe that, in all material aspects, the green debt instruments are not in conformance with the Climate Bonds Standard's Pre-Issuance Requirements.

Schedule 1: Overview of Nominated Projects and Assets

Details of the Nominated Projects and Assets that will receive financing or refinancing as of September 2025 are provided below.

Project Category	Asset Type
Bioenergy production of hydrous and anhydrous corn-ethanol biofuel	Facilities producing biofuel for transport

Schedule 2: Conformance to the Pre-Issuance Requirements of the Climate Bonds Standard[6,7]

Procedure Performed	Factual Findings	Error or Exceptions Identified
A.2.1. Use of Proceeds	2.1.1 FS has developed a list of proposed Nominated Projects that comply with the Bioenergy Criteria (version 1.3) and Agriculture Criteria (version 2) of the Climate Bonds Standard. FS intends to keep this list updated. The proposed Nominated Projects include: • CAPEX Investments for the construction of facilities producing biofuel for transport. • Working capital for the acquisition of inputs (corn feedstock for biofuel production). 2.1.2 FS confirms that all the Nominated Projects will meet the documented objectives of the debt instrument as set out in the Framework. 2.1.3 FS confirms that it will allocate 100% of the net proceeds of the debt instrument to projects and assets that meet the Bioenergy and Agriculture Sector Criteria of the Climate Bonds Standard. 2.1.4 N/A 2.1.5 N/A 2.1.6 FS confirms that the net proceeds of the debt instruments will not be greater than the total investment exposure to the proposed Nominated Projects or the relevant proportion of the total market value of the proposed Nominated Projects owned or funded by FS. 2.1.7 FS confirms that the Nominated Projects will not be nominated to other certified debt instruments unless FS demonstrates that distinct portions of the Nominated Projects are being funded by different certified debt instruments, or the present certified debt instrument is being refinanced via another certified debt instrument.	None
A.2.2. Process for Evaluation and Selection of Projects and Assets	2.2.1 FS established and documented a decision-making process to determine the eligibility of the Nominated Projects. 2.2.2 FS' decision-making process, mentioned in 2.2.1 above, includes the following:	None

[6] Climate Bonds Initiative, Climate Bonds Standard Version 4.3, at: https://www.climatebonds.net/files/documents/CBI_Standard_V4.3_FINAL_2025-08-20-102147_gbqn.pdf

[7] For ease of reference, the numbering in this section follows the numbering of the Climate Bonds Standard Version 4.3.

	i. The climate-related objectives of the debt instrument. ii. How the climate-related objectives of the debt instrument are positioned within the context of FS' overarching objectives, strategy, policy and processes relating to environmental sustainability. iii. FS' rationale for issuing the debt instrument is to advance the use of sustainable biofuels renewable energy (biofuels) for transportation and promote sustainable agricultural practices to generate long-term value in the transport and agricultural sector in Brazil. iv. A process to determine how the proposed Nominated Projects meet the eligibility requirements of the Climate Bonds Standard, including the relevant Sector Criteria. FS has confirmed to Sustainalytics that the processes for selecting investments and managing proceeds for the green debt instruments are consistent with the commitments described in the 2024 Framework. FS' sustainability, commercial and finance departments are responsible for selecting and approving the eligible projects. v. FS has sufficient measures in place to manage and mitigate environmental and social risks that are commonly associated with the Nominated Projects.	
A.2.3. Management of Proceeds	2.3.1 FS has documented and disclosed to Sustainalytics the systems, policies and processes it will use to manage the net proceeds. a. Tracking of proceeds: FS has a process in place to track and monitor the proceeds. FS' finance department will be responsible for the management and allocation of proceeds. b. Managing unallocated proceeds: FS will invest unallocated net proceeds in low-risk commitments or use the same to repay outstanding debt. c. Earmarking funds to Nominated Projects: FS details the process it will use to allocate and manage proceeds of the debt instrument. This will enable the estimation of the share of the net proceeds being used for financing and refinancing.	None
A.2.4. Pre-Issuance Reporting	2.4.1 FS has prepared a framework and has made or will make it publicly available prior to or at the time of issuance. 2.4.2 The framework mentioned in 2.4.1 includes:	None

	i. A statement of compliance with the Climate Bonds Standard and other applicable standards, such as the Green Bond Principles or the United Nations Sustainability Development Goals. ii. A summary of the expected use of proceeds. iii. A description of FS' decision-making process. iv. A description of FS' processes for managing the proceeds. v. A description of FS' processes for reporting and external review or verification. 2.4.3 FS has confirmed the following: i. FS' Nominated Projects conform with the Bioenergy Criteria (version 1.3) and Agriculture Criteria (version 2). FS may report on the following impact metrics: i) carbon intensity of ethanol production, ii) the volume of biofuel produced. ii. FS will manage unallocated net proceeds in accordance with Clause A.3.3.3 of the Climate Bonds Standard. iii. FS has confirmed that it will publish a report on its website annually. The details of this report will also be included in FS' annual sustainability report. The report will include details on conformance with the Climate Bonds Standards criteria and on its certified operations. In addition, FS confirms that it will undergo the Climate Bonds Initiative (CBI) post-issuance verification process annually. iv. FS' Nominated Projects meet the Bioenergy Criteria (version 1.3) and Agriculture Criteria (version 2). FS will report on the investment areas in which the Nominated Projects qualify by reporting annually on the allocation and impact of the net proceeds of the green debt instruments. The allocation and impact reports will be made available to investors and will be shared publicly via FS' website as part of its sustainability report. v. FS will provide more details within the allocation report regarding the amount used for financing and refinancing. Further, FS has defined a lookback period of three years for refinancing. 2.4.5 FS has confirmed that its disclosure documentation will include the following:	

	i.	The Nominated Projects will conform with the Bioenergy criteria.	
	ii.	The intended types of temporary investment instruments for the management of unallocated net proceeds are in accordance with Clause A.3.3.3 of the Climate Bonds Standard.	
	iii.	The name of the approved third-party verifier engaged by FS to obtain the Climate Bonds Standard certification.	
	iv.	FS will report on the investment areas in which the Nominated Projects qualify by reporting annually on the allocation and impact of the net proceeds of the green debt instruments. The allocation and impact reports will be made available to investors and will be shared publicly via FS' website as part of its sustainability report.	
	v.	The CBI Disclaimer provided in the Certification Agreement.	

Annexure 1: CBI Bioenergy Criteria

Certification Mitigation, Adaptation and Resilience, and Feedstocks Certified under Approved Best Practice Standards Requirements

To be eligible for inclusion in a certified green debt instrument, assets and projects must meet both the requirements for Mitigation (Appendix 1), Adaptation & Resilience (Appendix 2) components, Feedstocks Certified under Approved Best Practice Standards (Appendix 3), and Address the Food Security Risks (Appendix 4).

Appendices

Appendix 1: 3.2 Mitigation Requirements

Item	Assessment
For facilities producing biomass or biofuel as a final product, including liquid biofuel, solid and gaseous biomass for heating and co-generation, and biofuel for transport, the biomass or biofuel produced needs to meet specific GHG emissions thresholds in terms of gCO_2e/MJ (primary energy): i) Facilities producing liquid biofuel, solid and gaseous biomass for heating and co-generation: $16.0gCO_2e/MJ$ ii) For facilities producing biofuel for transport: $18.8g\ CO_2e/MJ$	FS has confirmed that financing will be directed towards facilities producing biofuel for transport. FS' carbon intensity for biofuel production is 18.6 gCO_2/MJ, which is considered eligible since it is below the threshold of 18.8 gCO_2/MJ as set by CBI. In addition, FS has confirmed that it has conducted a life cycle assessment (LCA) of GHG emissions associated with bioenergy production and the scope of the LCA included the following: • Feedstock production • Feedstock processing • Biofuel/bioenergy production • Biofuel storage and blending • Intermediate and final transport steps: transportation of feedstock to processing facilities to fuel production facilities, and transportation of fuel to the point of consumption.
GHG Calculation Tools: BIOGRACE I[8] BIOGRACE II[9] RSB GHG Calculator[10] UK Solid and Gaseous Biomass Carbon Calculator[11] GREET[12] RenovaCalc[13]	FS uses RenovaCalc to calculate the carbon intensity of biofuels produced in Brazil.

[8] http://www.biograce.net/home
[9] Ibid
[10] https://rsb.org/certification/ghg-calculator/
[11] https://www.ofgem.gov.uk/publications/uk-solid-and-gaseous-biomass-carbon-calculator
[12] https://greet.es.anl.gov/
[13] https://biofutureplatform.org/biofuture-platform/

Reducing the risk of indirect land use impact: Bioenergy facilities must either: • Be certified under the RSB low indirect land use change (iLUC) optional module[14] to demonstrate that they have low indirect land use impact; OR • Provide evidence and documentation to demonstrate that they meet low iLUC risk biomass criteria and compliance indicators under the RSB optional module, i.e.: i. Yield increase: issuers demonstrate that source feedstock for the facility is produced through an increase in yield compared to a reference date, without any additional land conversion. The biomass that is produced above the baseline scenario is eligible. ii. Unused/degraded land: issuers demonstrate that source feedstock for the facility is produced from land that was not previously cultivated or was not considered arable land. iii. Use of waste / residues: issuers demonstrate that the raw material used is derived from existing supply chains and does not require dedicated production out of arable land.	FS has not certified its bioenergy facilities under the RSB low indirect land use change (iLUC) optional module. However, FS has obtained the ISCC CorsiaLowLuc risk certificate.[15] Sustainalytics notes that grain for the eligible facilities will be sourced from second-crop corn grown in Brazil, particularly in Mato Grosso. Between the 2013/14 and 2024/25 crop years, approximately 2 million hectares previously used for single-crop corn were converted to second-crop systems, freeing land for the production of other food crops (CONAB, 2025; EPE, 2024). In 2024/25, second-crop corn yields in Mato Grosso reached 6.5 tonnes per hectare, an increase of 119% compared to 20 years earlier. Furthermore, each hectare under the soybean-corn succession system produced 10.3 tonnes of grain, representing a 171% increase compared to single-crop soybean systems. This rotational system also improved soil organic matter and overall soil quality, enhancing productivity across crop cycles and significantly reducing the risk of indirect land-use change.

[14] Or using the Ethanol Mais Verde Protocol, if the potential project is an ethanol project in Sao Paulo State, Brazil.
[15] FS' ISCC Corsia Plus LowLuc Risk certificate: https://hub.iscc-system.org//FileHandler/download/certificateFile/NTYxNDVfSVNDQy1DT1JTSUEtUExVUy1MLUNlcnQtVVMyMDEtMTQ0OTYyMDI0

Appendix 2: 3.3.1 Adaptation and Resilience Requirements

Item	Proof Given	Overall Assessment
SECTION 1: The issuer identifies the climate-related risks and vulnerabilities to the asset/ site		
Processes are in place (as part of both the asset design and ongoing management) to assess key risks to the assets from a changing climate. These key risks should include the following, plus any others deemed material for the operation of these assets. The risks should be identified and interpreted in terms of the impact on the asset and the related effects for the business—e.g., impact on operating feasibility and schedules and potential system outages, impact on maintenance requirements etc. N.B. This list taken from World Banks Climate and Disaster Risk Assessment Tool • Temperature changes, and extremes in temperature • Extreme precipitation and flooding • Drought • Sea level rise and storm surge • Strong winds How these affect the asset or site in question will be highly variable and will be for the issuer to identify and relate to their operations. These assessments should use climate information, modelling and scenarios from a peer-reviewed source. This assessment should be done regularly. The frequency of the assessment will depend on the nature of the climate-related risks and vulnerabilities, and	Climate Risk Analysis and Climate Change Adaptation Plan.[16]	FS' Climate Risk Analysis and Climate Change Adaptation Plan includes an assessment of impacts on local and regional resiliency. In 2023-2024, FS collaborated with WayCarbon to conduct a climate risk assessment aligned with Taskforce on Climate-related Disclosures (TCFD) and IFRS S2 guidelines. This assessment identified 141 physical risks, including floods and heatwaves, with 18 classified as critical. The analysis focused on critical and high risks to estimate their financial impact until 2050. Key physical risks included rising raw material costs and disruptions to productivity. Transition risks stemmed from the need to comply with regulations and market demands for a reduction in emissions, requiring the biofuels sector to adapt to new technologies and policies. FS conducts annual climate risk assessments aligned with its enterprise risk framework. Findings from the 2023–2024 assessment by WayCarbon were integrated into FS' risk control system, overseen by the Sustainability Team and Internal Controls department. Key risks and mitigation plans are reported in FS' annual sustainability report.

[16] The findings of the climate risk assessment conducted in 2023-2024 and the mitigation and adaptation plan were shared with Sustainalytics confidentially.

should be specified by the issuer and reported against in subsequent annual reporting.		
Section 2: The issuer identifies the impacts in larger context (spatially and temporally) beyond the asset/site (i.e. the impacts of the linked assets and projects on the broader ecosystem and stakeholders in that ecosystem)		
Processes are in place (as part of both the asset design and ongoing management) to assess the impact of the bioenergy asset on the climate resilience of other stakeholders in the social, economic and environmental system in which it operates and how to mitigate or reduce any negative impacts. These assessments address: • Any ways in which bioenergy facilities might affect the climate resilience of other users/stakeholders? • Any ways in which bioenergy facilities improve the adaptation capacity of other users/stakeholders? For example, they may include: • Impact on water quality and quantity for other users in the basin • Waste and pollution emitted • Fire hazards	Climate Risk Analysis and Climate Change Adaptation Plan.	FS has implemented processes to assess and manage the climate impacts of its bioenergy operations on environmental, social, and economic aspects affecting its stakeholders. These assessments are integrated into both the design of new assets and ongoing risk management, with all findings recorded in FS' climate risk control system. The Company's climate risk register highlights key threats such as storm-related power outages, supply disruptions, reduced biomass availability due to unpredictable weather, fire risks, and water shortages that could affect crop production and local resources. To mitigate these risks, FS has adopted measures including diversifying its corn supply, irrigating eucalyptus trees to maintain feedstock without stressing water resources, and managing biomass to support sustainable land use and prevent deforestation.
Section 3: The issuer has designed and implemented strategies to mitigate and adapt to these climate risks and vulnerabilities to the underlying assets and projects and the broader ecosystem and its stakeholders.		
An adaptation plan has been designed and is being implemented to address the risks identified in assessments above The issuer has designed or amended investment and maintenance plans for the assets or projects and the broader ecosystem and its stakeholders. This is to ensure that the asset and its scheduled maintenance is sufficient to cope with the ongoing impacts of climate change and a plan has been established to govern how	Climate Risk Analysis and Climate Change Adaptation Plan. Additional disclosures were provided by FS.	**Adaptation Plan:** In 2020, FS collaborated with Sitawi to develop a climate change adaptation and resilience plan. This plan was based on a climate risk assessment utilizing the World Bank's "Climate and Disaster Risk Screening Tool" (2020). In 2023-24, WayCarbon undertook a review of the adaptation plan and conducted a new climate risk assessment aligned with TCFD and IFRS S2 guidelines. FS has identified key climate risks, including floods and heatwaves. In response, FS developed mitigation and adaptation strategies to strengthen climate resilience: i) Flood resilience: To address increased biomass moisture during floods, FS uses

they approach emergency maintenance needs arising from sudden climate change impacts (e.g. extreme storms) The issuer has training, capacity and governance arrangements in place for how the organization will deal with the impacts of exception events (e.g. droughts, floods, severe pollution events, extreme storms, winds etc.) The issuer has monitoring and reporting systems and processes to identify high risk scenarios The issuer has contingency plans to address disruption to operations or loss of the asset and any resulting broader environmental or social damage The issuer has processes for feeding risk assessment back into decision making. The issuer has a budget allocated to implementing the adaptation plan and has a named member of staff responsible for its implementation. The issuer complies with any existing broader or higher-level adaption plans, such as NAPAs.		sensors and enclosed storage, prioritizes drier inventory, and collaborates with suppliers to source moisture-resistant biomass. ii) Supply diversification: FS is diversifying biomass sources and strengthening supplier partnerships to secure resilient raw materials. iii) CCS compliance: In the absence of Brazilian CCS regulations, FS will follow international standards—EPA UIC Class VI, CARB CCS Protocol, and ISO 27914. iv) To manage extreme droughts, FS has installed water treatment systems to reuse water from industrial processes and reduce overall consumption. The Company continuously monitors water use to identify and minimize waste. Additionally, FS has built large-capacity reservoirs for water storage. To optimize water usage in its operations, FS provides its employees with training on sustainable water consumption practices. FS has a mitigation and adaptation plan in place, which has been finalized and is regularly updated and monitored through the company's Corporate Risk Control System. The plan also includes procedures for the maintenance of assets. FS has internal governance structures and dedicated teams, including Sustainability and Internal Controls, to manage climate-related risks. Mitigation actions are tracked in the climate risk control system, with training and awareness programmes supporting ESG compliance. FS identifies high-risk scenarios through a structured climate risk assessment, covering physical and transition risks. All risks, along with their likelihood, severity and mitigation actions, are recorded within a centralized system. This system is updated yearly by risk owners and monitored using KPIs and stakeholder input. Risks are ranked by intensity and include detailed impact descriptions. FS has contingency plans in place. Examples include the following: • Expansion of diversified biomass supply chains to reduce dependency on a single region or crop. • Fire prevention infrastructure such as lightning protection systems.

		• Storm damage preparedness through electrical redundancy and safety protocols. These measures aim to prevent operational disruptions and minimize broader environmental and social impacts, while ensuring business continuity and stakeholder safety. The findings from FS' Corporate Climate Risk Control System help the Company in strategic decision-making. For climate-related risks, the Sustainability Team is responsible for reporting to senior leadership the appropriate level of urgency for each action. FS evaluates physical and transition risks through a structured climate risk assessment. This system is updated annually by the Sustainability Team and supports ongoing monitoring using KPIs and stakeholder feedback. FS has a climate risk assessment in place which is aligned with TCFD and IFRS S2 guidelines.

Appendix 3: 3.3.2 Feedstocks Certified under Approved Best Practice Standards Requirements – Determining the Robustness of Best Practice Standards

FS has confirmed that the certification of all source feedstocks will be maintained for the full term of the bond.

Appendix 4: 3.3.3 Addressing Food Security Risk

The requirement for addressing food security risk is based on RSB Food Security Assessment Guidelines.[17]

Item	Assessment
Addressing food security risk The issuer needs to assess whether the production of the sourcing feedstock is likely to have impacts on food security, and to establish corresponding mitigation and enhancement measures if the impacts are significant. Issuers can follow guidelines such as RSB Food Security Assessment Guidelines and FAO's Bioenergy and Food Security Assessment,[18] or any other robust and publicly available guidance.	FS has confirmed that it sources feedstock solely from Brazil, which has been deemed to have low food insecurity based on the most recent publication of the Global Hunger Index.[19]

[17] https://rsb.org/wp-content/uploads/2020/06/RSB-GUI-01-006-01-RSB-Food-Security-Guidelines_final.pdf
[18] https://www.fao.org/energy/bioenergy/bioenergy-and-food-security/assessment/en/
[19] Global Hunger Index," The Power of Youth in Shaping Food Systems", at: https://www.globalhungerindex.org/pdf/en/2023.pdf

Annexure 2: CBI Agriculture Criteria

Certification Mitigation for an Agriculture Unit, Adaptation and Resilience Requirements

To be eligible for inclusion in a certified bond, projects must meet both the requirements for Mitigation (Appendix 1), the Adaptation & Resilience (Appendix 2), and Best Practices for Low Emissions Agriculture (Appendix 3).

Appendices

Appendix 1: 3.2.1 Crops: Mitigation Requirements for whole Agricultural Production Unit

Criteria	CBI Requirements	FS Responses
M1: No conversion of high carbon stock lands	The production unit is not operating on land that has been converted from high carbon stock (HCS) lands spanning more than one hectare after Jan 1, 2010[20] or according to the cut-off date required in national law in the country of issuance or as defined by regional green financing initiatives if this is prior to 2010.[21] This includes wetlands, peatlands, forested areas or other designated HCS areas, as defined by the threshold of 35 tC/ha.[22] *Compliance can be demonstrated by submission of maps (see Global Forest Watch maps), georeferenced photographs or satellite imagery of land use change and burning for example. Forest inventory surveys or other formal government data can also be used.*	FS utilizes the Agrotools digital platform to ensure its suppliers are not operating on land converted from High Carbon Stock (HCS) areas. Agrotools conducts socio-environmental analysis through satellite imagery and public databases. FS applies specific monitoring criteria for each supplier, considering factors such as input volume, planting area and biomass production. In compliance with Brazil's Forest Code, which sets a deforestation cutoff date of July 22, 2008, FS verifies land use using PRODES, the official deforestation monitoring system covering the Amazon (since 2008) and the Cerrado (since 2018). This monitoring generates an environmental report detailing deforested areas over the years, along with embargoed regions and suppliers that are non-compliant. FS assesses whether suppliers are listed on the Federal Government's Employment "Blacklist," which identifies locations with slave labour conditions. Additionally, supply contracts include clauses prohibiting harmful work practices, such

[20] January 1 2010 was selected as a cutoff date as this accommodates most major certification or standards requirements for "no deforestation." Major standards relevant to agriculture include the Round Table for Responsible Soy, Soy Moratorium, G4 Cattle Agreement; 2008 European Union Renewable Energy Directive I and RED II, European Union Sustainable Finance technical expert group recommendations, International Sustainability and Carbon Certification (ISCC), and the Roundtable on Sustainable Palm Oil (RSPO). All of these standards use 2009 as a cut-off date for deforestation. The Forest Stewardship Council, which focuses more on sustainable forest management, uses 1994. The TWG considered the 2020 zero deforestation commitments of many companies but using a future or more recent date was not considered ambitious and could incentivize more deforestation.

[21] As the EU taxonomy for sustainable activities has stated a 2008 cut-off date for conversion of high-carbon stock land, 2008 will be the cut-off date for EU issuances looking for CBI certification.

[22] High carbon stock (HCS) land assessment was developed for the purpose of avoiding land use change due to oil palm conversion that resulted in net carbon losses. As a result, any land use with more than the average C stock per hectare of oil palm, i.e., more than 35 tC/ha, is considered high carbon stock. Forest classification types can be used as a proxy for the classification. For example, in Indonesia, lands classified as "Mostly young re-growth forest, but with occasional patches of older forest within the stratum," or above in terms of biomass are considered HCS land, in contrast to "Recently cleared areas, some woody re-growth and grass-like ground cover. Below this, BM (young scrub) and LT (cleared/open land)" and below, which are not. See for example Highcarbonstock.org for a definition. High Conservation Value/High Carbon Stock assessment and the IFC Performance Standard 6, with its Critical and Natural Habitat assessments are the two most commonly adopted assessment tools.

		as child labour, and the Code of Conduct for Suppliers and Partners explicitly rejects such employment conditions. All producers must comply with national legislation and FS' Social and Environmental Responsibility Supply Chain Policy.[23] Rural producers that are not in compliance with FS' Policy are suspended from the supplier list. Currently, FS has CAR (Rural Environmental Registries) traceability for at least 80% of its suppliers and a structured socio-environmental compliance process for corn sourcing. Agrotools monitors this process through satellite analysis, assessing deforestation, protected areas, high conservation value zones and embargoed regions. FS incorporates data from PRODES (Program for the Calculation of Deforestation in the Amazon), DETER (Real-Time Deforestation Detection System)[24], SAD (Deforestation Alert System)[25], and GLAD (Global Land Analysis and Discovery)[26] for real-time and historical deforestation detection. If any illegal deforestation is found, FS immediately disqualifies the supplier. Additionally, under the RenovaBio Law, FS does not purchase from suppliers that have expanded agricultural land after January 2022, even if the expansion complies with the Forest Code.
M2: Land Use Status	No clearing of woody vegetation over 3 metres in height after 2020 on the production unit in question *Compliance can be demonstrated by submission of maps (see Global Forest Watch maps), georeferenced photographs or satellite imagery of land use change and burning for example. Forest inventory surveys or other formal government data can also be used.*	FS uses data from PRODES, DETER, SAD and GLAD to monitor deforestation in both real time and historically. If any illegal deforestation is identified, the supplier is immediately disqualified. Under FS' Social and Environmental Responsibility Policy, FS assess illegal deforestation in the Amazon from 2008 onwards and in the Cerrado from 2018 onwards. In addition, FS does not source from suppliers that have expanded agricultural land after January 2022, even if such expansion complies with the Brazilian Forest Code.
M3: Low-emission crop and animal management If the production unit can meet all the following requirements, it is exempt from the requirement to demonstrate low-emission crop and animal management on the basis that it has low responsibility for mitigation and high vulnerability to climate change:		

[23] FS, "Social and Environmental Responsibility Supply Chain Policy", at: 4d69a148-e8e8-2b65-1b49-73ff1e805cfb
[24] Aid Environment, "Real-time Deforestation Monitoring", at: https://aidenvironment.org/project/real-time-deforestation-monitoring/
[25] SOS Mata Atlantica, "Sistema de Alertas de Desmatamento da Mata Atlântica", at: https://www.sosma.org.br/iniciativas/alertas
[26] UN Environment Programme, "Global Land Analysis and Discovery", at: https://dart.informea.org/node/27036

• It is located in a low-income country, defined by World Bank standards, or falls below the World Bank poverty line based on the average expected annual value of yields sold from the farm. • Agricultural products are used only for domestic consumption in the country and not exported. • The issuer demonstrates that mitigation options were reviewed and provide a justification as to why it could not overcome the constraints to meet the requirements. Demonstrate via one of two options:		
Option M3.1: Climate-aligned % reduction in GHG emissions (tCO_2e) over the investment period compared to emissions at the start of that period	The production unit must achieve a reduction in GHG emissions (tCO_2e) in line with the trajectory displayed in Figure 2 below. For example, over the 10-year period from 2020-2030, a 20% reduction in GHG emissions would be required. Over the 20-year period of 2020-2040, a 30% reduction in GHG emissions would be required *Compliance can be demonstrated by Verified GHG assessment*	Not applicable.
Option M3.2: Evidence of following low-emission agricultural best practices (Refer to Appendix 3)	In order to demonstrate that the production unit is deploying low emission practices on an ongoing basis, the relevant table from the Sector Criteria document must be completed, and all core practices must be met. *Compliance with best practices can be demonstrated by submission of farm management records, including nutrient management plans, maps, and georeferenced photographs, detailing agricultural practices undertaken for the year and their extent (e.g., size of area) for each season of each production system associated with the investment.*	Refer to 'Appendix 3: 3.2 Best Practices for Low Emissions Agriculture: Crop Production', below.

Appendix 2: Adaptation and Resilience Requirements for Whole Agricultural Production Unit

Adaptation and resilience checklist for the whole agricultural production unit		Proof Submitted by FS
1. **Clear boundaries and critical interdependencies between the farm holding and the system it operates within are identified.**		
1.1	Boundaries of the production unit(s) are defined using (1) a listing of all farm holdings and associated assets and activities associated with the use of the bond proceeds, (2) a map of their location, and (3) identification of the expected operational life of the activity, asset or project.	**Submitted – Climate Risk Analysis and Climate Change Adaptation[27]** FS has provided the following details: Each year, FS purchases about 5.4 million tons of second-crop corn from third-party suppliers, all verified under its Social and Environmental Responsibility Policy. Using the Agrotools platform, FS maps supplier locations, mostly in Mato Grosso, and monitors farm areas. FS works with around 2,000 recurring CARs (Rural Environmental Registries) from producers who have supplied corn in the past two years. The company maintains strict controls to trace raw material origins and ensure compliance with environmental and social standards. Corn is grown using sustainable land management practices like fertilization and liming, and no-till farming practices, which protect soil health and prevent deforestation.
1.2	Critical interdependencies between the farm holding and the system within which it operates are identified. Identification of these interdependencies should consider the potential for adverse impacts arising from: (1) the effects of water use or pollution on other water users or erosion in the watershed; (2) relationships of the asset/project to nearby flood zones; (3) introduction of pests and diseases; (4) reduction in pollinating insects and birds; (5) reduction in biodiversity or High Conservation Value habitat; (6) damage or reduction in value of neighbours' property due to boundary trees, other structures at risk of falling during storm events, agricultural pests and disease; (7) fire and other practices that affect air quality; (8) market influences, such as excess supply which drives down prices; (9) appropriation of land or economic assets from nearby vulnerable groups; and (10) overuse of inputs	(1) FS conducted a climate risk analysis focused on its supply chain, which is based entirely on second-crop corn grown after the soybean harvest. This model, common in Mato Grosso, relies mostly on rainfall, reducing the need for artificial irrigation and helping to preserve water resources. Data from Brazil's National Water and Sanitation Agency (ANA) show Mato Grosso has the country's highest water security index, especially in FS' main sourcing region. FS is also ISCC-certified, following strict standards for sustainable water use and watershed protection. A recent study, based on documentary evidence and satellite imagery, indicates that only 6.36% of areas show signs of central pivot irrigation, which may not even be used for corn. This confirms that irrigation is not widely used by FS suppliers. (2) FS' industrial units are located in central Mato Grosso, a region with mostly flat terrain and no significant history of severe flooding. Farms supplying grains and biomass are also located in this area, within an operational radius of about 150 km, ensuring smooth logistics. The region lies between the Amazon and Cerrado biomes and has no known major flood zones that could disrupt farming activities, transportation of inputs, or FS' industrial operations. As a result, flood risk to FS' grain and biomass supply is considered low.

[27] FS has shared the Climate Risk Analysis and Climate Change Adaptation plan with Sustainalytics confidentially and the relevant data applies to all the responses in this table.

		(3) Tree varieties are selected that are resistant to region-specific pests. Furthermore, FS employs forest management techniques, such as crop rotation, controlled thinning, and the removal of forest residue to reduce pest habitats and mitigate their impact. (4) FS assessed climate risks to biodiversity, pollinators and ecosystem services, identifying 19 key services like crop pollination. The Company already has strong control systems in place, including air quality monitoring, clean fuel use and preventive maintenance. No immediate actions were needed, but FS is reviewing additional best practice recommendations. (5) FS applies strict social and environmental criteria when evaluating and selecting suppliers. To protect biodiversity, the company checks whether production areas overlap with: • Key Biodiversity Areas (KBAs) • Alliance for Zero Extinction (AZE) sites, which are critical for threatened species. • Ramsar Sites, recognized internationally for their ecological importance. Suppliers with significant overlap in these sensitive areas are considered ineligible, mitigating the risks of habitat conversion, biodiversity loss, and impacts on high-conservation-value ecosystems. (6) To prevent issues like fire, air pollution, or harm to neighboring land, FS has environmental controls and contingency plans in place. It also conducted a human rights due diligence study, confirming that its systems effectively prevent land grabs or exploitation of vulnerable groups, in line with its Social and Environmental Responsibility Policy. (7) The state of Mato Grosso has a system to prevent, monitor and control fires, especially during the dry season (May to September). Key measures include: Continuous monitoring using high-resolution satellite imagery (Planet) to quickly detect heat spots. • Coordinated action by SEMA-MT and other environmental agencies to ensure rapid response. • State decrees banning the use of fire, with penalties such as fines, embargos and equipment seizure. In agricultural areas, accidental fires can occur during second-crop corn harvesting due to dry crop residues and heated machinery. To reduce this risk, producers commonly adopt preventive practices such as: • Harvesting during cooler times of the day. • Using machinery equipped to control small fire outbreaks. • Keeping water trucks on standby. • Training teams for quick response.

		Together, these measures help reduce atmospheric emissions, protect air quality, and limit social and environmental impacts. (8) The agricultural sector is affected by changes in supply and demand, including production levels, exchange rate movements, public policies and international market conditions. These factors can sometimes lead to excess supply and downward pressure on corn prices; however, scientific evidence indicates that corn ethanol production does not increase corn prices in Brazil. Findings have been reported in international studies showing that ethanol demand has a limited effect on agricultural prices in regions with strong growth in cultivated area and productivity, such as Brazil and the United States. As a result, demand for corn in terms of ethanol production is not considered a significant driver of price pressure. Accordingly, while FS continues to monitor market volatility, corn ethanol production is not viewed as a source of increased price risk or instability. (9) FS has clear guidelines in its Socio-Environmental Responsibility Policy to avoid business relationships with suppliers involved in land conflicts or the improper use of sensitive areas. The company assesses whether supplier operations overlap with: • Indigenous lands • Quilombola communities • Protected areas and conservation units. This screening ensures that suppliers operating in territories designated for traditional peoples and communities, or in legally protected areas, are not contracted. As a result, FS reduces the risk of land misappropriation, violations of territorial rights and negative socio-economic impacts on vulnerable groups. (10) FS promotes responsible use of agricultural inputs through its Farm Station, a testing site for biological solutions that reduce dependence on chemical fertilizers and pesticides. The Company also supports partner farmers by providing training and promoting sustainable practices at agricultural fairs and technical workshops, helping build a more efficient and eco-friendly supply chain.
2.	**An assessment has been undertaken to identify the key physical climate hazards to which the production unit will be exposed and vulnerable to over its operating life.**	
	Key physical climate risks and indicators of these risks are identified in line with the following guidelines. • Risks are identified based on (a) a range of climate hazards, and (b) information about risks in the current local context, including reference to any previously identified relevant hazard zones, e.g., flood zones.	**Physical Climate Risk Assessment** FS carried out a climate risk assessment of its operations, including second-crop corn used in ethanol production. The study looked at local conditions and international standards to identify risks and define actions to reduce them.

	A full list of potential physical climate risks that may be considered is given in Table 6 of the criteria. At a minimum, risks in each of the following categories must be considered: 1. Temperature: High/low temperature, change in number of hot nights, heat spell duration, cold waves, frost. 2. Water 2.1 Precipitation: High precipitation, intense rainfall events; waterlogging, flood, drought, freezing rain (hail, freezing rain, ice). 2.2 Water stress: Crop water stress (reflecting combination of temperature, precipitation and wind), ratio of water withdrawals to availability. 2.3 Sea-level: inundation, flooding or storm surges, salinization due to saltwater intrusion or changing water regimes. 2.4 Glacial melting and lake outbursts: flood, body of water contained by glacier overflows or glacial melts. 3. Wind: cyclones (hurricanes, tornadoes, typhoons), dust and sandstorms, blizzards, wind patterns. 4. Soil: erosion (including coastal erosion), landslides, avalanches, degradation. 5. Seasonality: Rain onset, change in seeding date, length of growing season, change in frost-free days in season, other phenological risks specific to crop-type. 6. Pests and disease: new pest and disease patterns, changes in pest and disease vectors. 7. Fire: increased incidence and extent of wildfires or control of agricultural fires. 8. CO_2 concentrations: generally expected to create positive effect due to CO_2 fertilization and stimulate growth and carbohydrate production, but risks changes in nutritional content and density, such as protein, sugars and essential minerals, for example in wheat, rice, and potatoes.	**Identified risks and key mitigation measures:** • **Temperature (heatwaves and extreme variations)** Moderate risk of heat affecting crop productivity and water stress. FS uses regenerative agriculture, no-till farming and biological controls, and tests heat-resilient solutions at its Farm Station. • **Water Precipitation / Water Stress** Water shortages and droughts may impact corn and eucalyptus. FS mitigates this with biomass diversification, a wide supplier network, soil conservation, emergency irrigation and climate monitoring. Additionally, in the state of Mato Grosso, the ratio of water withdrawals to water availability is considered low. • **Storms (heavy rain, high humidity)** Storms can reduce productivity and cause power or infrastructure damage. FS uses covered warehouses, humidity sensors, stock rotation, resilient suppliers, emergency generators and insurance. • **Strong Winds** Wind damage is reduced with contour planting, proper tree spacing and reusing any damaged biomass. • **Soil (erosion, degradation, runoff)** FS' suppliers use planting methods in areas less prone to erosion and flooding to protect soil quality. • **Seasonality and Phenology** Changes in the growing season can reduce productivity. FS adapts planting schedules and encourages climate-smart farming. • **Pests and Diseases** FS runs biological pest control at the Farm Station, offers training and regularly evaluates suppliers. • **Fire / Lightning** FS has installed lightning rods (SPDA), performs preventive maintenance, provides emergency training and expanded insurance coverage. • **Atmospheric CO_2 and crop nutrition** While the effects of increased CO_2 have not yet proven critical to FS' operations, it continually monitors feedstock quality, especially through the Farm Station, where productivity indicators and nutritional composition are analyzed under extreme scenarios. **Conclusion** FS has a strong system to manage physical climate risks using technology, infrastructure, sustainable farming, supplier engagement and insurance. Certifications like ISCC support its commitment to climate resilience and sustainable operations.
3.	**The measures that have or will be taken to address those risks mitigate them to a level so that the production unit(s) are suitable to climate change conditions over its operational life.**	
3.1	Risk reduction measures are implemented for all key risks to the production unit. These should	FS has implemented a comprehensive set of mitigation measures for all relevant physical risks identified in its

	enable the production unit to meet an average annual productivity threshold under a range of expected climate hazards for the duration of the investment period. The minimum productivity threshold is determined by the average level of yield loss, compared to average production over five years, for at least three comparable holdings with five years or more of production. Where comparable holdings are not available, the minimum productivity threshold will be calculated as 10% less than the mean annual productivity over five previous years where no extreme climate events occurred.	climate risk assessment. These measures ensure that the production facility is well-adapted to expected climate conditions throughout its operational lifespan, as detailed in Agriculture Criteria Section, Appendix 2
3.2	Risk reduction measures must be tolerant to a range of climate hazards and not lock-in conditions that could result in maladaptation.	FS implements risk reduction measures that can tolerate a wide range of climate hazards, including temperature variations, storms, water stress and pests. These measures are designed to be flexible and adaptive, avoiding lock-in to fixed practices that could lead to maladaptation. By promoting continuous innovation and scalable solutions, FS ensures its strategies remain resilient over time, supporting long-term sustainability and effective climate change adaptation.
4.	**The measures that have or will be taken do no harm to the resilience of the defined system they operate within, as indicated by the boundaries of and critical interdependencies with that system as identified in item 1 in this checklist**	
4.1	An assessment is conducted to demonstrate that the production unit does not pose significant risk of harm to others' natural, social or financial assets according to the principle of best available evidence during the investment period taking into account the production unit's boundaries and critical interdependencies as defined in Criteria 1. Harm is defined as an adverse effect on any of the following: (1) the effects of water use or pollution on other water users or erosion in the watershed; (2) increased risk of flooding; (3) introduction of pests and diseases; (4) reduction in pollinating insects and birds; (5) reduction in biodiversity or High Conservation Value habitat (6) damage or reduction in value of neighbours' property due to boundary trees, other structures at risk of falling during storm events, agricultural pests and disease; (7) fire and other practices that affect air quality, (8) market influences, such as flooding a market with a commodity and driving down prices, (9) appropriation of land or economic assets from nearby vulnerable groups, (10) overuse of inputs, (11) decline in the productivity of an asset, or (12) decline in conditions below an applicable policy standard, (13) no use of chemicals listed in the Stockholm Convention or 1a or 1b in the WHO classification of pesticides by hazard or not in compliance with the Rotterdam Convention	FS carried out a comprehensive assessment considering its operational boundaries, the critical interdependencies defined within its value chain, and the best available evidence. The results demonstrate that the production unit's activities do not pose a significant risk of harm to natural, social or the financial assets of third parties over the investment period. Details on the main measures taken to ensure there is no harm to the resilience of the defined system they operate within, and critical interdependencies include: • **Water use and pollution**: FS uses safrinha corn for ethanol, a crop that grows in the rainy season and does not need irrigation. Additionally, FS is certified by ISCC, which requires corn suppliers to have water management plans, watershed assessments and native vegetation conservation practices in place. • **Flood risk**: FS' operations do not interfere with the hydrological dynamics of the regions in which it operates. In addition, good land management and corn farming practices help prevent soil erosion. • **Pests and diseases**: FS' suppliers implement good agricultural practices to ensure that there is no harm with respect to pests and diseases. • **Pollinators and biodiversity**: An ecosystem services risk assessment was conducted, identifying 19 key services, including

		pollination and pest regulation. The study found that there were no requirements for additional remediation measures, indicating that FS' existing controls are effective. • **Habitat and high conservation value areas**: Through its Socio-environmental Responsibility Policy in the Supply and Sales Chain, FS assesses corn and biomass cultivation areas to determine if they overlap with high conservation areas. In 2023, the presence of such overlap became part of the eligibility criteria for commercial trade. • **Damage to neighboring properties**: FS has systems in place to prevent and respond to extreme events, such as storms. Furthermore, it also holds specific property insurance to cover climate-related risks. • **Fire and air quality**: FS has implemented several measures to mitigate risks associated with fire and lightning. The Company has installed lightning protection systems (SPDA) and established emergency protocols and conducts regular training sessions to create awareness. Furthermore, FS has a policy against the use of fire as an agricultural practice for clearing land or managing crops. • **Market influence**: FS' involvement in the safrinha corn chain does not exert significant market pressure, as corn prices are defined internationally. FS supports market stability by encouraging sustainable farming among producers. • **Land or economic asset appropriation**: FS applies its Socio-environmental Responsibility Policy throughout the value chain, ensuring adherence to land rights. A dedicated human rights due diligence was conducted, and no significant risks to vulnerable communities were identified. • **Excessive input use**: FS' Farm Station conducts experiments to reduce the use of fertilizers and chemical pesticides, including field tests with biological inputs and conservation practices. It also promotes the use of Bioferts, an organic fertilizer made from boiler ash. • **Asset productivity**: Average safrinha corn yields in Mato Grosso have remained within stable limits over the past five years, even under variable climate events, demonstrating that FS' operations are not compromising the resilience of agricultural assets. • **Compliance with legal standards**: All FS' operational practices comply with applicable environmental, labour and health regulations. Furthermore, FS also monitors supplier adherence to these standards through its Socio-environmental Responsibility Policy on purchases and sales.

		FS has measures in place to ensure its operations do not harm the environment and communities, and that they support long-term resilience of the system in which the production unit is located.
5.	**The issuer is required to demonstrate that there will be ongoing monitoring and evaluation of the relevance of the risks and resilience measures and related adjustments to those measures will be taken as needed.**	
5.1	Indicators for risks identified under item 2 in this checklist are provided.	FS has provided the information and has submitted a Climate Risk Analysis and Climate Change Adaptation Plan.
5.2	Indicators for resilience measures identified under item 3 in this checklist are provided	FS has provided the information and has submitted a Climate Risk Analysis and Climate Change Adaptation Plan.
5.3	Indicators for "no harm" to relevant system assets identified under item 3 in this checklist are provided.	FS has provided the information on "no harm" in the relevant section above.
5.4	Issuers have a viable plan to annually monitor (a) climate risks linked to the production unit, (b) climate resilience performance, (c) appropriateness of climate resilience intervention(s) and to adjust as necessary to address evolving climate risks.	FS has a system in place to manage identified climate risks. This system uses specific indicators to monitor real-time climate data (precipitation, temperature, humidity, wind) along with agricultural productivity and feedstock quality for each relevant risk, as outlined in the technical assessment conducted by WayCarbon. The resilience measures implemented are regularly reviewed and adjusted based on data, technological advancements and observed climate conditions. The Farm Station plays a key role by testing new practices and adaptive technologies, which are shared with FS' suppliers. In addition, FS maintains a continuous dialogue with its partner producers to promote training and best practice to ensure ongoing improvements to its mitigation strategies. The governance of these actions includes periodic reviews of contingency plans, risk management policies and supply contracts to ensure they align with current and future climate challenges. This approach enables FS to ensure that its mitigation and adaptation measures are dynamic, effective and capable of promptly responding to new evidence and shifts in the climate scenario throughout its operational period.
5.5	Issuers have a process for monitoring and evaluation and this is done annually.	FS has a formal process in place for monitoring and evaluating climate risks and the resilience measures implemented. This process is conducted annually, ensuring that actions are continuously reviewed and adjusted as needed to maintain their effectiveness in response to changing climate risks.
5.6	A grievance redress mechanism is in place to enable stakeholders to identify unanticipated adverse impacts, including biases of investments away from high-risk locations and assets.	FS has established a formal grievance mechanism for stakeholders to report unforeseen adverse impacts, including potential biases related to investments in high-risk areas or assets. To support this, FS maintains accessible and confidential communication channels, such as the "Confidential Channel" and the "Contact Us" platform, which ensure anonymity and protection for whistleblowers.

		These channels are widely promoted among its suppliers, partners and other relevant stakeholders to ensure that all concerns are received, assessed and addressed and proper due diligence is conducted. The process includes investigation, a prompt response, and implementation of corrective actions, when necessary, which is intended to reinforce the Company's commitment to transparency, socio-environmental responsibility and continuous improvement.

Appendix 3: 3.9 Best Practices for Low Emissions Agriculture: Crop Production

Category	Core Practices	Optional Practices	Exclusions	Overall Assessment
Fertilizer use	• A nutrient management plan is in place that identifies the right rate of fertilizer use for the production unit *plus* at least three optional practices	• The nutrient management plan also identifies the right source of fertilizer. • The nutrient management plan also identifies the right timing of fertilizer. • Right placement of fertilizer. • Deep urea or other subsurface placement. • Agronomic practices that produce yields in top 25% for the agroecosystem • Fertilizer produced with energy-efficient methods (e.g. steam methane reforming (SMR), green ammonia, or process using <36 gigajoules/t ammonia • Controlled release fertilizer • Biological N-fixation as the source of nitrogen inputs	None	While FS does not own any of the areas for planting corn, it is a RenovaBio Program certified company and aims to purchase corn only from producers certified under the program. The program's criteria are aligned with the Core Practices. From 2020, suppliers under the program have been monitored for their annual productivity (tons per hectare) and are required to present data on fertilizer consumption. In addition, the Mato Grosso Institute for Agricultural Economics monitors and measures the use and impacts of fertilizer in the region and carries out an analysis in different municipalities. In addition to the listed optional practices, the RenovaBio program identifies the correct placement of fertilizer use and therefore FS is compliant with that requirement.

		• Any practice that reduces or offsets N_2O emissions by 20%		
Management of soil for net carbon sequestration	• Project length of at least five years • Reduced tillage • Avoided erosion • No open burning • Evidence that soil carbon sequestration is likely to be maintained for 20 years or more (secure land rights, low threat of conversion, contractual commitments) or demonstrate 50% higher level of sequestration. *plus* at least one optional practice	• Increase in aboveground biomass (cover crops, agroforestry) and residue retention • Organic matter amendments to the soil (compost) • Any practice that increases soil organic carbon or above-ground or below-ground carbon by 20% over ten years	FS has communicated that while it intends to increase soil Organic carbon over the long term through its activities, it cannot demonstrate that it will meet the 20% requirement over 10 years.	FS has confirmed that the project has been running for 11 years, with all producers having adopted no-tillage practices. Furthermore, FS has communicated that there is a low threat of land conversion and that erosion has been avoided. • The corn purchased by FS is cultivated in a manner that supports an increase in above-ground biomass and residue retention and organic matter amendments to the soil. • FS' practice of direct planting of second-crop corn contributes to the carbon stock in the soil. In addition to the three plants already installed in Mato Grasso, FS aims to install two more plants by 2030, with the intention to promote second crop corn over the long term.
Management of biomass for net carbon sequestration	• Increase in aboveground biomass (grassland or pasture productivity, cover crops, agroforestry) by at least 20% • Evidence that aboveground biomass carbon sequestration is likely to be maintained for 20 years or more (secure land rights, low threat of conversion, contractual commitments) or demonstrate 50% higher level of sequestration.		None	FS uses second-crop corn grown after the soybean harvest, mainly in Mato Grosso, to optimize land use and maintain continuous vegetative cover. This soybean-corn succession system boosts yields and produces significantly higher aboveground biomass per hectare while preventing land from lying fallow. The continuous cover enhances soil health, supports long-term carbon storage, and reduces the need for agricultural expansion, minimizing land-use change risks. With environmental safeguards and long-term supplier contracts, FS ensures that the carbon sequestered in this biomass is preserved for 20 years or more, ensuring sustainable biomass management and net carbon sequestration.

Energy, including energy embedded in inputs	• Energy efficient traction, irrigation, and storage (falls in top 25% of energy efficiency rates for equipment available in country) OR Use of only renewable energy		None	FS has communicated that in the region where the Company operates its plants, the rural producers have adopted energy efficient innovations and technology which result in lower fuel consumption. The Company does not provide any confirmation whether the above- mentioned measures result in equipment being in the top 25% of energy efficient ratings.
Residue Management	• Sustainable use of residues		None	FS ensures the sustainable use of agricultural residues by promoting conservation practices across its corn supply chain. After harvest, corn stover is left on fields to protect the soil, reduce erosion, retain moisture and boost fertility for future crops like soybeans. Most suppliers use no-tillage farming, which preserves plant cover and leaves residues as natural mulch, helping with weed control, soil health, biodiversity and carbon sequestration. These practices support sustainable residue management while complying with environmental regulations.
Food loss	• No mycotoxins or other contaminated growing conditions that could result in reduced yields.		None	FS has confirmed the following: In the field, producers are instructed to carry out fungicide applications guided by institutions and suppliers. These fungicides protect the plant against pathogens (fungi) like those that produce mycotoxins. In addition, FS performs analysis of quality classification in the receipt of grains. It also carries out quality control in storage (temperature and humidity) and monitors the final products through laboratory analysis to guarantee the quality of its products.
Flooded rice (if applicable)	• Days of flooding reduced by 10%		None	Not applicable.
Peatlands (if applicable)	• Peatland restoration		None	Not applicable.

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