

Sustainability Report

20/21 and 21/22 harvests



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About the report

GRI 102-40, 102-43, 102-50, 102-47, 102-48, 102-49, 102-51, 102-52, 102-54

'Centro de Tecnologia Canavieira S.A.' (CTC) is proud to present this Sustainability Report for the 2020/2021 and 2021/2022 harvest years, corresponding to the period running from April 1, 2020 to March 31, 2022. In this document, we have assembled the data, information and results of the organization's actions, programs, projects, and initiatives developed by the organization in Brazil, for our stakeholders, between the above dates.

The material is in accordance with the directives of the Core option* of the Global Reporting Initiative (GRI) Standards. For defining report's content, we have considered our materiality matrix, which was updated in November 2021. In all, we have defined 11 material topics, divided according to the ESG (environmental, social, and corporate governance) aspects regarding gains in productivity; structure and composition of the Board of Directors; technological management/ Stewardship; Intellectual Property (IP) & information security; workforce qualification; equal opportunities; anti-corruption; water and energy management; community relations;

waste management and recycling; and biodiversity impacts.

The document is also guided by the global principles of the United Nations' (UN) Sustainable Development Goals (SDGs), and by International Financial Reporting Standards (IFRS), as well as the applicable regulations established by the Brazilian Securities Commission (CVM).

The information presented herein has been ascertained and presented in accordance with best global management and corporate sustainability reporting practices. In case of doubts or complaints, or if you would like to compliment us on anything, please write to ri@ctc.com.br.

We hope you enjoy the report!

* This report was produced in 2022 and published in January 2023 and describes the actions and results for the 2020/2021 and 2021/2022 harvest years. As such, it does not adopt the updating of the GRI guidelines updates that entered effect 2023.



A message from the CEO

GRI 102-14

At a time in which knowledge is being renewed and reassessed at dizzying speeds, I am convinced that innovation is key to sustainability in the form of its three pillars: environmental, social, and economic pillars.

As a company that has constantly spread ideas, I have always believed that, at CTC, the talents of our personnel and the way we interact are what sets us apart. With this in mind, we have continued to focus on developing of our platforms dedicated to genetic improvement, biotechnology, seeds and other disruptive techniques for the sugar and ethanol industry.

Our commitment to the environment is directly related to the essence of our work. By developing new technologies that offer greater

efficiency in food production and green energy, we are contributing to competitiveness standing and the sustainable growth of the economy, while also reducing the environmental impact of agricultural production.

Over recent years, the company has faced unprecedented challenges related to the global Covid-19 pandemic and an extremely turbulent global landscape. Within this scenario, our assertive strategy, the commitment of our teams, and our attention to people's health and wellbeing of people has meant the achievement of an important milestone of CTC's history, with record results, reflecting the expansion of planting our varieties of Brazilian sugarcane and the important advances made in our research schedules.

I am so proud of how far we have come in achieving our objectives. I am however, also humble enough to understand that there is still a lot of work to be done in building a more prosperous and greener future for the coming generations.

I sincerely hope that you enjoy this second edition of our Sustainability Report, and I would like to thank all those who have contributed to its development.

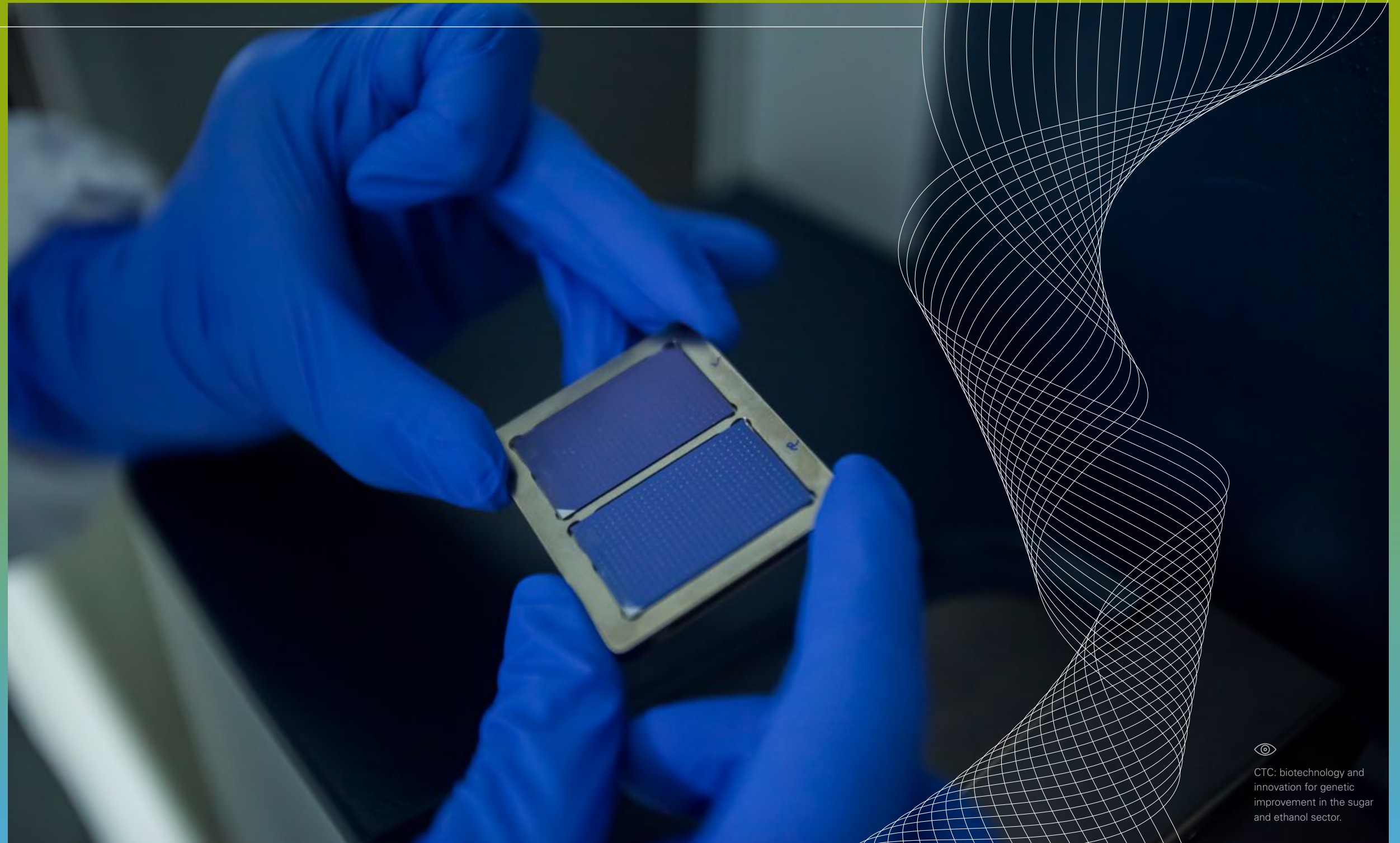
José Gustavo Teixeira Leite
CEO, CTC



We have continued to focus on developing our platforms dedicated to genetic improvement, biotechnology, seeds, and other disruptive techniques for the sugar and ethanol industry.

Centro de Tecnologia Canavieira (CTC)

- 1 About us
- 2 Socioeconomic context
- 3 Operating strategy
- 4 Highlights of the 2020/2021 and 2021/2022 harvests



CTC: biotechnology and innovation for genetic improvement in the sugar and ethanol sector.

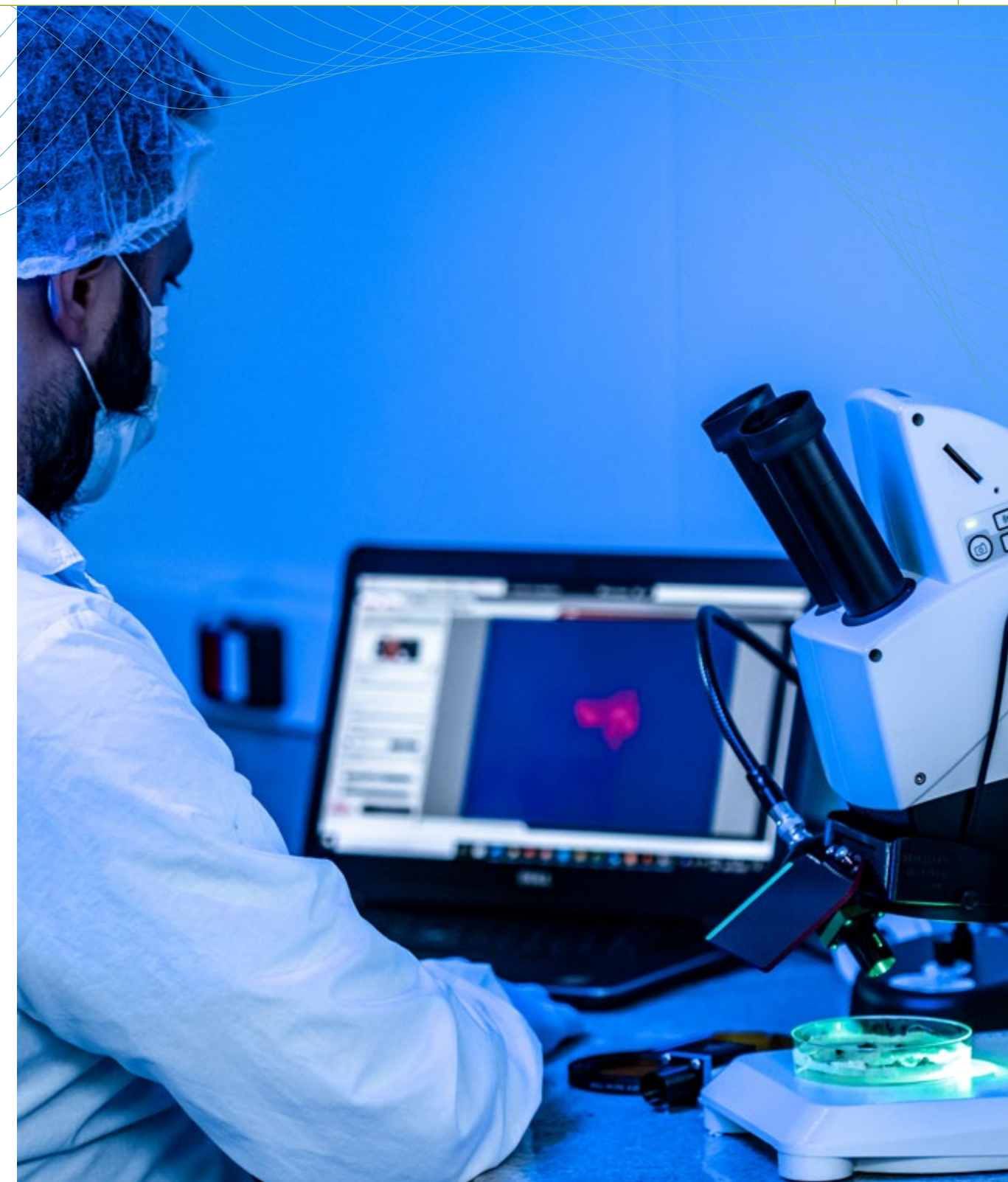
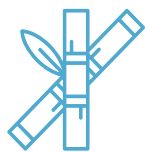
About us

Centro de Tecnologia Canavieira (CTC) (which could be roughly translated as the 'Sugarcane Technology Center'), is a company with its head office in Piracicaba (São Paulo State), that is dedicated to genetic improvement, biotechnology, and innovation, and is a pioneer and global leader in sugarcane science. For 53 years, the company has worked to develop, produce, protect, and market varieties that increase the productivity, sustainability and competitive standing of the sugar and ethanol industry's value chain, producing sugar, ethanol, and bioelectric. [GRI 102-1, 102-2, 102-3, 102-6](#)

We have the world's biggest germplasm bank, containing approximately 5,000 varieties. Our laboratories and equipment feature the most cutting edge technology available, with spaces designed for developing cultivars in different types of soil and environments, and with highly qualified professionals, dedicated to growing varieties of sugarcane that are resistant to pests, and diseases and ensure intense levels of productivity. [GRI 102-2, 102-6](#)

CTC is an open capital company, registered with the Brazilian Securities Commission (CVM) and listed on the 'B3' stock exchange, with a public offer or trading yet to take place. The shares are included in the 'Bovespa Mais' market segment of the BM&FBovespa. [GRI 102-5](#)

The varieties of sugarcane that we produce ensure greater productivity across the sugar and ethanol chain, increasing the industry's competitive standing and sustainability.



Our history

Our company was founded in 1969, when the São Paulo State Sugar Cane, Sugar and Ethanol Producers Cooperative of the State of São Paulo (Copersucar) created what was originally the *'Centro de Tecnologia Copersucar'*. In 2004, we became a civil society organization of public interest, now called *'Centro de Tecnologia Canavieira'*. In 2011, we became into a joint-stock corporation ('S.A. '), with the leading corporate groups in the Brazilian sugar and ethanol industry participating as shareholders, along with the National Economic and Social Development Bank (BNDES), which who joined the group in 2014.

Over the course of our 53-year history, we have launched dozens of new agronomic and industrial varieties and technologies for the sugarcane production chain. In 1970, only one year after our foundation, we established the first hybridization station in Camamu (Bahia State), where we produced the first 400,000

saplings from genuine seeds. In 1983, we launched the first sugarcane variety resulting from CTC's own genetic improvement projects.

In 1994, CTC initiated a new era for the industry, when we opened our first biotechnology development laboratory. In 2012, we reinvented ourselves once again, with the implementation of a new business strategy, charging *royalties* arising from licensing varieties and modernizing the genetic improvement program, installing regional poles, and shortening the cultivar development cycle from 15 to only 8 years.

In 2017, we obtained approval from the *'Comissão Técnica Nacional de Biossegurança'* ('National Biosafety Technical Commission' / CTN Bio) for marketing the world's first genetically modified variety of sugarcane, a variety that is resistant to wireworms, the plant's most aggressive pest. One year later, we opened our wholly-owned

subsidiary, CTC Genomics, located in Saint Louis, MO, in the United States. This subsidiary is dedicated to research and development of disruptive technologies, such as sugarcane genome editing.

In all, we have developed and obtained approval for seven genetically modified varieties, all of which are resistant to the sugarcane wireworm, and are adapted to Brazil's different sugarcane cultivating regions' climate and soil conditions.

Built on this trajectory, CTC currently holds a privileged position in the global sugar and ethanol industry, and it is the world's only commercial company to operating innovatively in this market's genetic improvement, with the support of a high quality structure and team. With more than R\$ 1 billion in investments made over the last ten years, the technologies we have developed are now present in 90% of Brazil's sugarcane milling base.



A history of excellence

By transforming CTC into a joint-stock corporation (S.A.), we began a move towards improving the management structure, creating committees, regulations and corporate governance policies. In 2016, CTC's shares were listed on the *'Bovespa Mais'* segment but still without a public offering, which is expected to occur in the next few years.



Socioeconomic context

Population growth, increased global demand for energy, water, and food, use of carbon-intensive technologies, and prevalence of a take-make-waste economy, have joined forces to impose a wide range of interlinked environmental challenges on society.

Current estimates suggest that the global carbon emissions caused by burning fossil fuels (coal, oil and gas) will rise by 16% by 2030. During the same period, the average global temperature is set to rise by 0.5°C to 1.5°C.

Within this context, best agricultural practices, water efficiency, and new cultivars and technologies, including biotechnology, will enable increased agricultural production without the associated increase in planted area or water usage.

In agriculture, as in other industries, innovation will be the main driver for sustainability. New technologies and agricultural methods will help increase productivity, reducing the use of natural resources and, consequently, leading to better competitiveness and sustainability. They will have a central role in adapting agricultural practices to climate change and extreme conditions related to the environment.

For companies operating in every industry, decarbonization will have an impact on a number of different business models and value chains. The main driver for this transformation will be renewable energy with competitive costs.

Sugarcane production areas in Brazil

The sugar and ethanol sector

Approximately 1.7 billion tons of sugarcane are produced annually around the world, covering covering 24 million hectares of planted area.

Brazil is the world's biggest sugarcane producer, with 585 million metric tons processed in the 2021/2022 harvest. Over the past few decades, the crop has undergone a technological revolution, with an increase in sustainable practices, taking into consideration a low carbon footprint and best environmental practices across the entire value chain.

Sugarcane is an important source of renewable energy in the country, accounting for 18% of the national energy grid (or 39% of all the renewable energy supplied). This puts Brazil in a position above the global average, which is 14%, as well

as above the average of developed countries belonging to the Organization for Economic Cooperation and Development, which stands at 11%. This strengthens Brazil's role as a pioneer in using clean and renewable energy.

Sugarcane plantations cover less than 2% of Brazil's land, located more than 2,000 kilometers from the Amazon region, with more than 90% of the crops concentrated in the South, South East and Center West regions

Brazil currently has full control of the technology employed in the agricultural and industrial fields, with a vast stock of innovations still ready to be implemented, and enormous potential for a new leap in productivity in the sugar and ethanol industry.



Main sugarcane derivative products

ETHANOL

Approximately 103 billion liters of ethanol are produced globally each year. Around 70% of this total is produced in Brazil and the United States.

This value chain is based mainly on the use of sugarcane, corn, and wheat as raw materials for producing of the ethanol.

With the potential to reduce CO₂ emissions by 90% in comparison to gasoline, sugarcane ethanol is considered to be the fuel of the present and the future for the new era of sustainable mobility.

Due to the challenges in combating climate change, ethanol can be seen as one of the technological paths towards building a new era of sustainable mobility, due to its low carbon footprint.

Since it can be used in its pure state (hydrated ethanol) or mixed with gasoline (anhydrous ethanol), it contributes significantly to environmental conservation and improving the quality of the air.

SUGAR

Sugar is a source of energy and wellbeing, and is the most popular sweetener in the world. Around 80% of global production is from sugarcane, which is considered to be one of the most efficient and sustainable raw materials for producing of sugar. The remaining 20% comes from sugar beet.

With 19% of all global production in the 2020/2021 harvest, Brazil was the world's second biggest sugar producer and its biggest exporter. The sugar produced in this country is used in many different industries, including foodstuffs (both for direct consumption and as an ingredient in producing other foodstuffs), beverage, and pharmaceuticals industries.

Approximately 70% of the sugar produced in Brazil is exported, which corresponds to 49% of global exports. The Brazilian sweetener is exported to more than 100 countries, helping to battle malnutrition and acting as an important natural and accessible source of energy.

BIOELECTRICITY

Bioelectricity generation is a source of energy with a low impact on the environment and is being produced close to consumer centers.

The bioelectricity generated using sugarcane biomass is the fourth most important source in the Brazilian energy grid. Its main characteristics are:

- It generates investment and quality employment;
- It reduces greenhouse gas emission;
- It relies on a consolidated national wide production chain;
- It complements hydroelectric energy, since its production peak occurs during the country's low rainfall period, thus increasing Brazil's energy security;
- It reduces losses involved in energy transportation, meaning savings in investments in transmission, since it is generated near consumer centers.

Energy in balance

Average GHG reduction



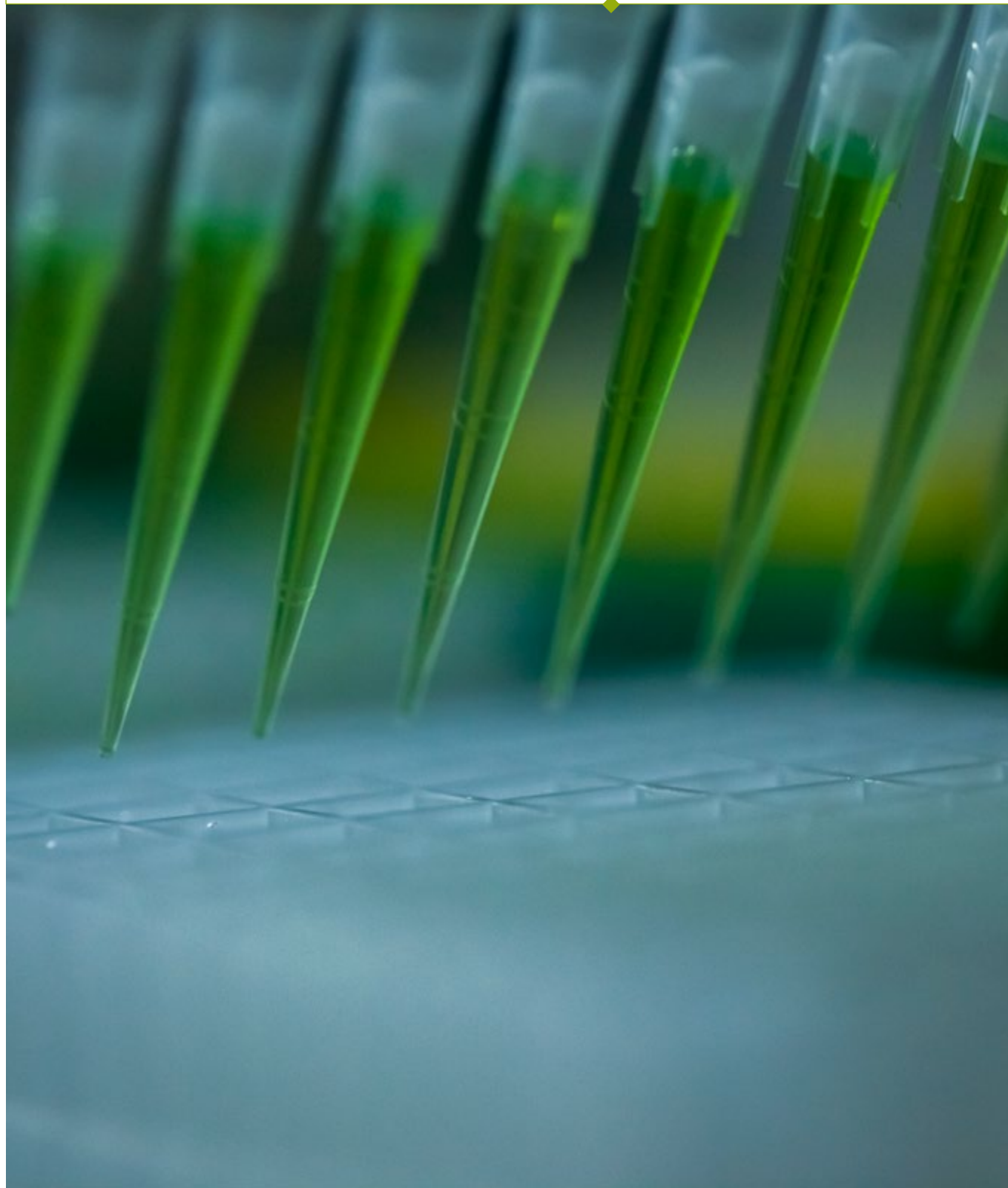
SUGARCANE ETHANOL



SUGAR BEET ETHANOL



GRAIN ETHANOL



National Biofuels Policy (RenovaBio) and Decarbonization Credits (CBio)

With the challenging situation we face in combating climate change, the carbon offsetting markets were developed as an important part of the solution for reducing greenhouse gas emissions.

Within this scenario, Brazil has developed a number of public policies to encourage its increased participation in the energy grid, including the National Ethanol Program (Proálcool), the National Program for Production and Use of Biodiesel (PNPB) and, more recently, in 2016, the National Biofuels Policy (RenovaBio).

RenovaBio aims to foster different biofuels' participation in the Brazilian energy grid, including ethanol, biodiesel, biogas and biokerosene (a sustainable alternative for aviation fuel). The policy grew out of the initiative aimed at developing the domestic potential for energy production from renewable sources, associated with the commitments that Brazil undertook

internationally, in 2015, during the 21st United Nations Climate Change Conference (COP-21), when the Paris Agreement was signed.

To achieve a truly effective reduction in emissions, the RenovaBio establishes annual targets to be reached by fuel distributors for neutralizing the emissions involved in selling fossil fuels, based on Decarbonization Credits (CBio).

As a result of the RenovaBio, CBio can help the country achieve these CO₂ emission reduction targets. Each credit represents one metric ton of CO₂ that is prevented from being emitted when compared to fossil fuel.

Within this context, sugarcane is one of Brazil's leading trump cards, since it offers a number of advantages.



Ethanol produced using sugarcane generates greater CO2 reductions when compared to corn ethanol.



Sugarcane does not compete with the leading food production chains.

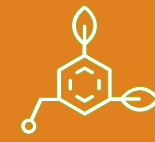


Even considering the electrification of the expanding means of transportation, using the biomass for power generation and the ethanol for the hybrid fleet, continues to provide opportunities for the industry. In Brazil, flex-fuel vehicles account for more than 65% of the total fleet and have corresponded to 90% of sales over recent years.



Biotechnology and improved crop stewardship have been driving the productivity of other crops, such as soybean and corn, meaning an enormous potential for sugarcane.

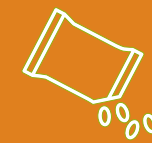
To operate within this scenario, CTC has emerged as the sole player with the technology, infrastructure, and technical knowhow to significantly increase sugarcane productivity, playing an essential role across the entire biotechnology chain:



Genetically modified sugarcane offers greater crop protection, higher earnings, and lower usage levels of land, water, agricultural chemical products, fuel, and other resources.



Genome editing will unlock more of the sugarcane's potential, overcoming major agronomic, environmental and physiological barriers.



Sugarcane seeds: innovative technology for solving the main planting problems, with substantial gains in productivity, simplified cultivation, and faster adoption of more modern and productive varieties.

Operating strategy

GRI 102-16, 103-2, 103-3 | 201

CTC is a global leader in genetic improvement, biotechnology and disruptive technologies applied to the sugarcane crop, aiming to increase the sugar and ethanol industry's productivity and sustainability. To achieve this, we operate on five pillars, that complement each other and guide CTC's strategy. These pillars are investments in research and development, a highly qualified technical team, a modern biotechnology laboratory complex, a professional management model, and constant dialog for meeting the demands of the sugar and ethanol production chain.

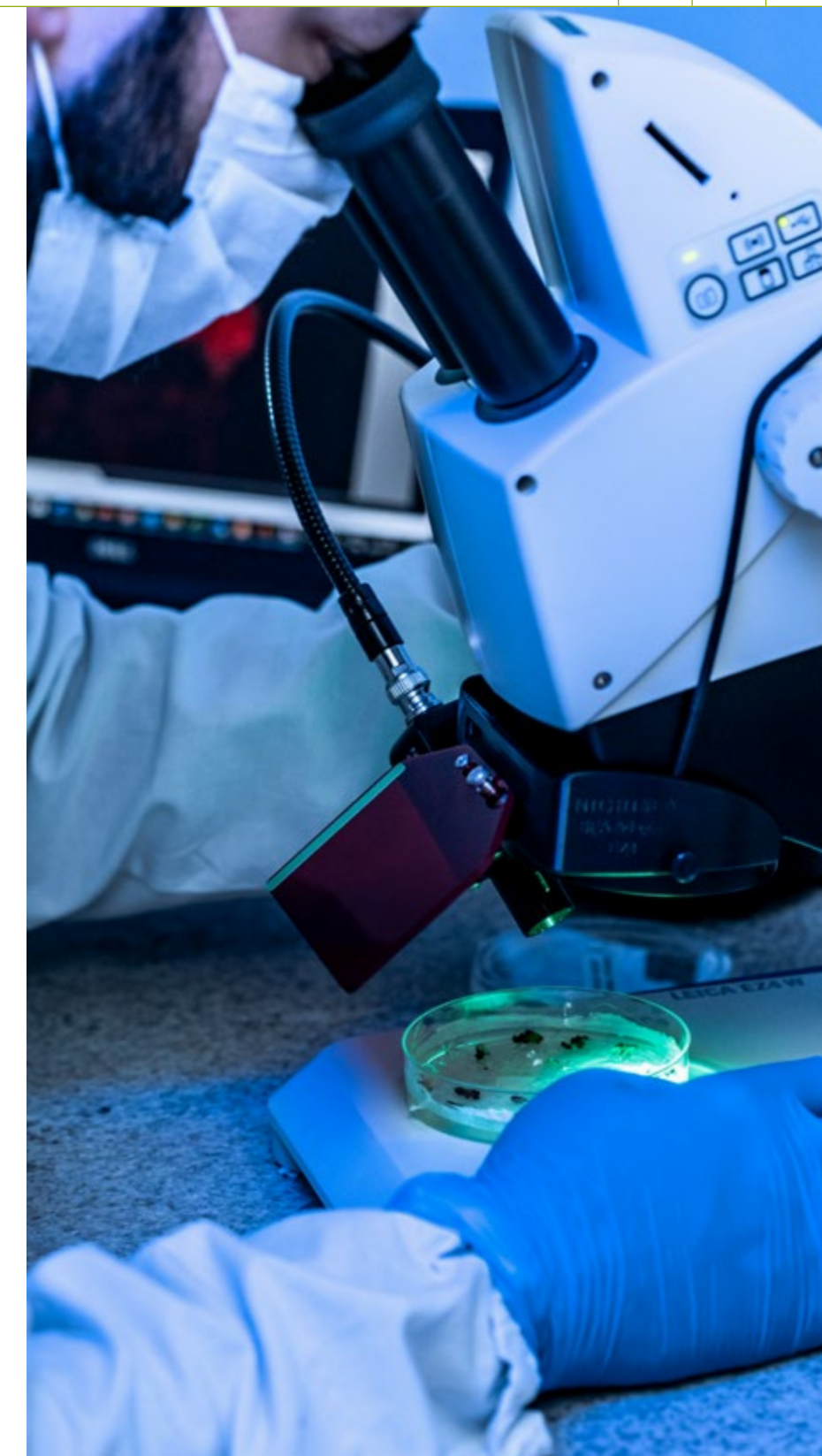
By developing knowhow and new technologies for the industry, CTC is collaborating effectively for its sustainability. This happens because, by creating sugarcane varieties that are more productive, we provide those companies that farm the crop with the means for rationalizing natural and financial resources. Our operations enable reducing the need for using land, chemical fertilizers, water, and energy, while also cutting waste generation.

Within this context, our work can be divided into three integrated operating fronts: [GRI 102-6](#)

- **Conventional genetic improvement or breeding:** this is the process involved in crossing and selecting high-yield plants that can be adapted to different growing conditions. We have a unit focused on the cross breeding different varieties in Camamu (BA), a location with climate conditions that are conducive to the plant's natural growth and good formation of true seeds.
- **Biotechnology:** the main focus of this field of science is on producing genetically modified plants, using genes that make them resistant to insects and pesticide tolerant. We also work on editing of the plant's genome to adjust its natural characteristics based on its own DNA.
- **Other technologies and new sugarcane planting and stewardship systems:** Developing sugarcane seeds, optimizing the planting operations and enabling farming of healthier plants over shorter production cycles, while avoiding losses of revenue and making the operation less capital intensive.

These operational axes were the guiding factors in ensuring that, during the 2020/2021 and 2021/2022 harvest years, we were able to develop a robust strategic plan, that is capable of directing the company's actions regarding two time frames: for the next five years and for the next two decades. Employees operating in different CTC areas participated in creating and developing the document.

The planning seeks CTC's continued growth, and the long-term vision involves developing sugarcane varieties prepared for scenarios that have changed and will be changing Brazilian sugarcane varieties, such as the issue of water supply, the industry's mechanization, and the appearance of new diseases and pests that threaten the plants.





World class R&D

Of around 560,000 cross breeding trials performed in each annual research cycle, one or two clones can be transformed into new commercial sugarcane varieties that are ready to be taken to the field. The development process surrounding these varieties takes around eight years, from the beginning of the work to marketing and during this period we involve the participation of world-class professionals, a cutting-edge infrastructure, and conducting tests across the country.

Business model GRI 103-2, 103-3 | 201

CTC's business model is based on licensing the sugarcane varieties it has registered in this own name. Our remuneration comes from royalty payments per planted area of crops developed by the Center. Collection and based on declarations made independently by each client and/or knowledge of the planted crops provided through other technologies.

Our operations are connected to the sugar and ethanol industry's expectations and demands, with a view to long-term results for our value chain and, consequently, for CTC. The idea is to develop more productive sugarcane varieties considering the different scenarios that the industry will be facing.

In the 2021/2022 harvest year, we invested R\$ 168 million in research and development (R&D), that is equivalent to 40% net revenue. In

2020/2021, the amount invested in this area was R\$ 146 million, or 43% of net revenue.

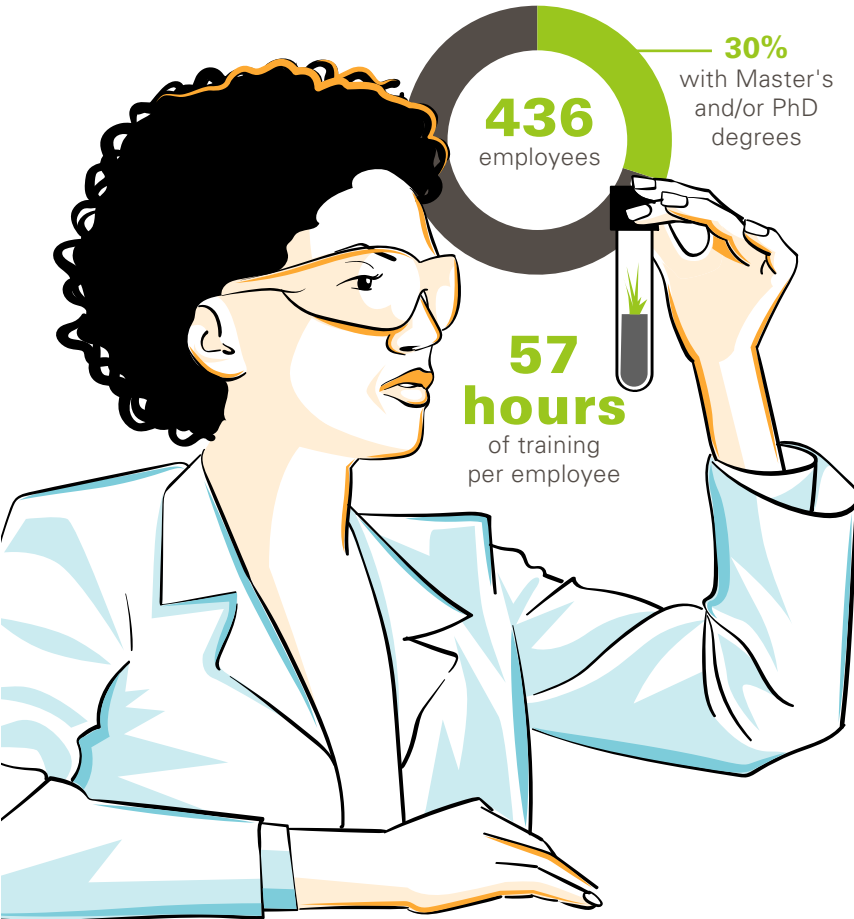
Following the research, and with the variety ready to enter the market, we worked to protect it, according to intellectual property and crop protection laws, while also complying with all global and local regulatory standards for product approval.

The final step in this process is marketing. We can rely on our long term relations with clients, who are the ultimately leading players in the Brazilian sugar and ethanol industry. We currently have 27 commercially explored cultivars, with a portfolio divided into three groups: CTC13 to CTC26 varieties, Series 9,000 varieties (elite varieties), and genetically modified varieties. Four of these varieties (CTC9006, CTC9007, CTC2994 and CTC1007) were granted protection by the

National Cultivar Protection Service (SNPC) during the 2020/2021 harvest year, and one of them (CTC7515BT) in the 2021/2022 harvest year. More detailed information on our varieties can be found on the product packaging leaflets, available on our [institutional website](#). [GRI 417-1](#)

From the beginning to the end of these product's development path, we work in partnership with important representative entities of the sugar and ethanol production chain: *União da Indústria de Cana-de-Açúcar e Bioenergia (Unica)*, *Arranjo Produtivo Local do Alcool (Apla)*, and *Associação Nacional de Pesquisa e Desenvolvimento das Empresas Inovadoras (Anpei)* as well as the American Chamber of Commerce (Amcham). [GRI 102-13](#)

Technology for the sugarcane production chain



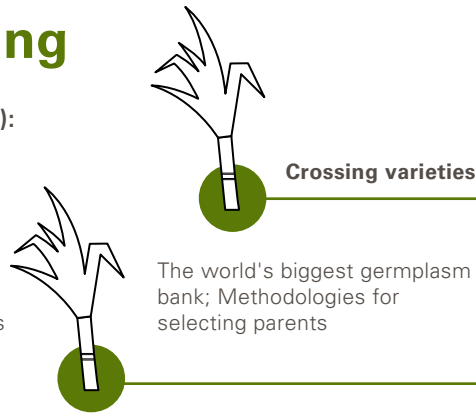
Infrastructure:

7 regional centers	25 experimental units	1 subsidiary in the US
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Technologies

Breeding (Genetic improvement):

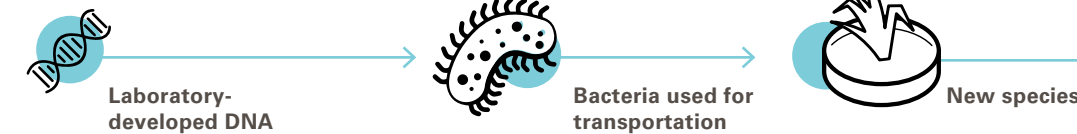
The process of crossing and selecting high-yield clones



Biotechnology

Genetic modification along two paths:

1. Transgenic: the use of specific genes from one living being in another, which may be from a different species, adding desirable characteristics, such as resistance to certain insects or pesticides.



2. Genome editing: only the DNA of the species of interest is modified, with its natural characteristics being adjusted for the intended purposes.



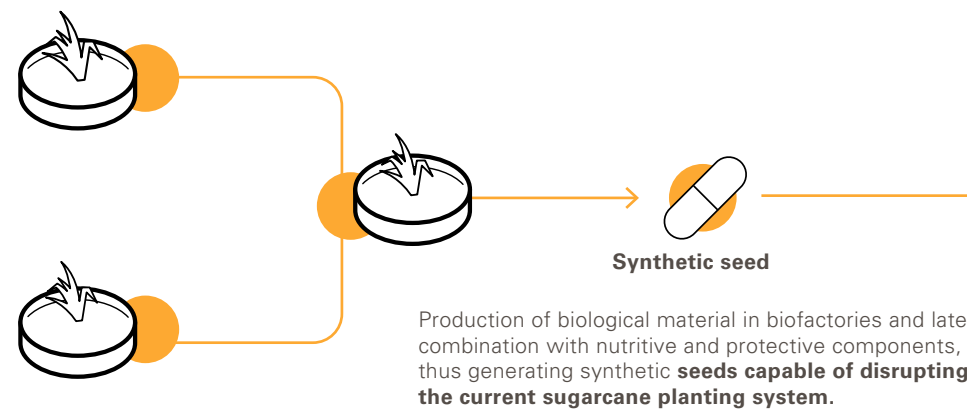
The world's first genetically modified commercial sugarcane variety was approved in 2017; Four different wireworm-resistant varieties are currently on the market

Genetically modified varieties control the wireworm, sugarcane's principal top

Seed

Development of synthetic seeds

Development of a new planting system, replacing the current model with stalks.



Planting with synthetic seeds will be more efficient and less capital and labor intensive, while also making those areas currently being used as nurseries available to the farmers.

Modern varieties, adapted to different stewardship conditions and environments

Results and impacts

In 10/15 years time, available technologies will make Brazilian sugarcane production double, with an important impact on the sugar and ethanol industry's sustainability.

Greater productivity

Greater production of ethanol as a replacement, for fossil fuel

Less expansion of the planted area

Lower consumption of inputs (fertilizers, pesticides, water, etc.)

Highlights of the 2020/2021 and 2021/2022 harvests



Expanded marketing of conventional and genetically modified varieties.



Record net revenue in the 2021/2022 harvest year: R\$ 421.5 million (a 25% increase over the previous period).



Record net revenue in 2021/2022: R\$ 134 million.



A 40% market share in sugarcane planting in Brazil.



Secured patent protection for five sugarcane varieties.



Marked evolution in corporate governance, with a view to an initial public share offer (IPO).



New anti-corruption and information security policies.



New Code of Ethics and Conduct.



Renovated and updated of the Risk Matrix.



Produced the first Greenhouse Gas Inventory.



Acquired renewable energy with i-REC certification.



Ranked first in the best companies to work for, among medium-sized business in the agribusiness industry in Brazil, according to the Great Place to Work (GPTW) consultancy.



Efficient management

- 1 Infrastructure
- 2 Operational results
- 3 Financial results



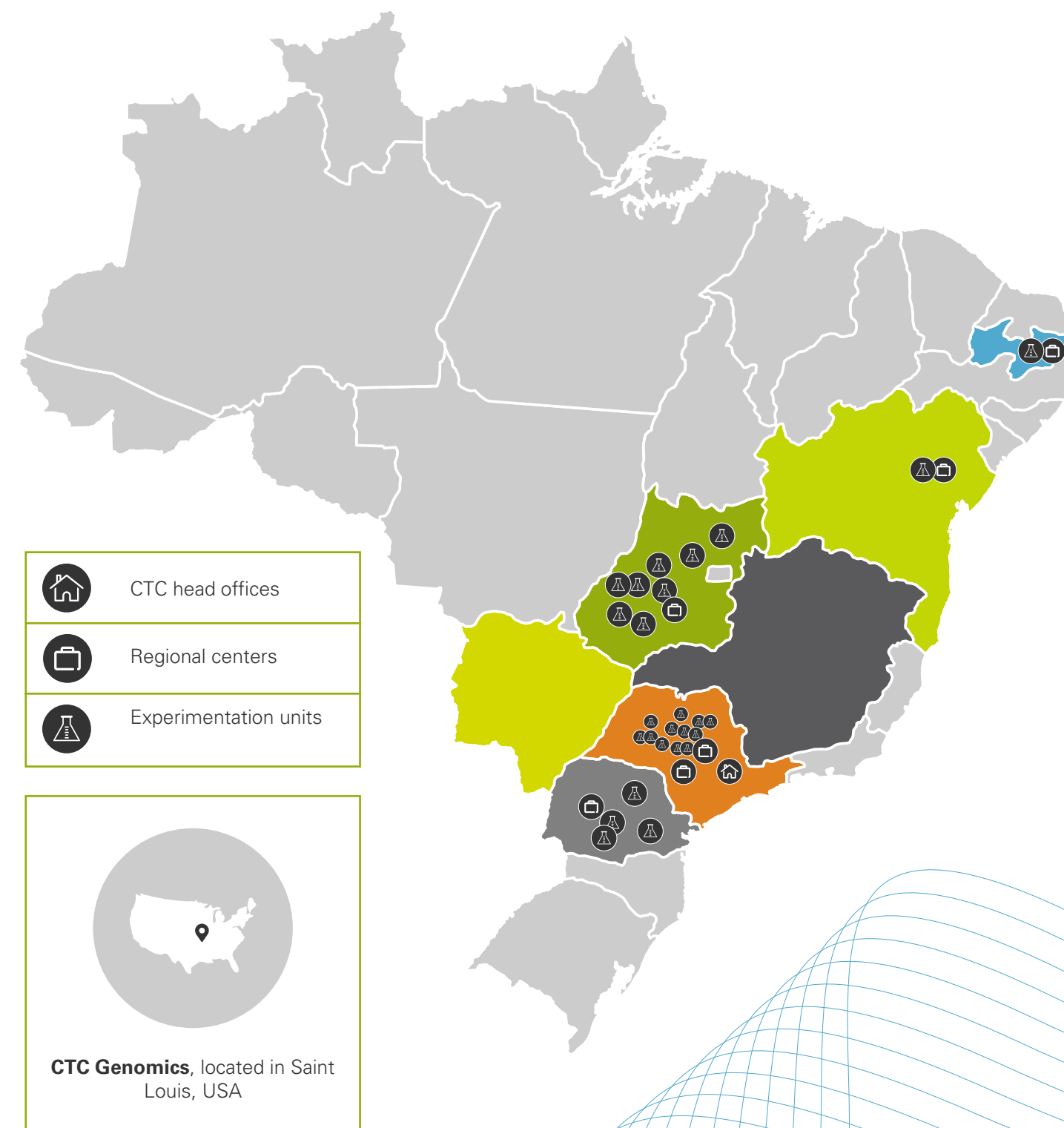
Infrastructure and efficiency for providing results to **stakeholders** and longevity of the business.

Infrastructure

We have a physical structure that is well adapted for developing disruptive technologies and meeting the needs of our stakeholders: in addition to head offices in Piracicaba (São Paulo State), we have six regional centers (Mandaguaçu, in Paraná; Barrinha and Valparaíso, in São Paulo; Quirinópolis, in Goiás; Camamu, in Bahia; and Santa Rita, in Paraíba), as well as 25 experimentation and research units. At the end of the 2021/2022 harvest year we had 436 employees distributed across all these installations. [GRI 102-4, 102-7](#)

Over recent years, since CTC was transformed into a 'S.A.' (joint-stock corporation), we have increasingly accelerated our series of investments in modernizing our installations and in our ability to ensure a proper infrastructure for developing advanced technologies for the sugar and ethanol industry. Within this context, we have acquired laboratory equipment, refurbished and built new physical structures to accommodating our employees in spaces that are perfectly suited for high-standard R&D.

In the 2020/2021 and 2021/2022 periods, more than R\$ 40 million was invested in infrastructure.



Operational results

We achieved positive operational results for the 2020/2021 and 2021/2022 harvest years. We maintained our expansion trajectory in terms of marketing our premium and genetically modified varieties, while our conventional varieties also continued to perform well.

As such, we achieved results that overcame the climate difficulties faced during these harvest years, when a large portion of Brazil's arable lands suffered water shortages (hitting record lows in the South and Southeast regions), with frosts and heavy, concentrated rainfalls in short spaces of time.

We closed 2021/2022 with our clients planting 35 of our sugarcane cultivars, resulting in CTC enjoying increased royalty collection. The expansion of the invoiced planted area, which rose from 1.73 million hectares in 2020/2021 to 1.82 million hectares in 2021/2022 was fundamental for the company's excellent performance, as was the planting of varieties with a higher aggregated value, and lower payment defaults.

To ensure that we were able to fully meet the demands of the sugar and ethanol industry, we continued investing in our technological platforms. We invested R\$ 168 million in research and development, which was equivalent to 40% of the revenue in this harvest year. In 2020/2021, this figure was R\$ 146 million, equivalent to 43.2% of net revenue.

Cost of research and supplied services

In R\$ thousand	2020/2021	2021/2022	VARIATION IN R\$	VARIATION IN %
Materials and services	49,454	58,437	8,983	18.2
Personnel expenses	30,507	41,779	11,272	36.9
Depreciation and amortization	20,439	23,780	3,341	16.3
General expenses	13,992	13,373	-619	-4.4
Total cost of R&D and supplied services	114,392	137,369	22,977	20.1
(+) Intangible	31,644	30,621	-1,023	-3.2
(=) Investments in R&D	146,036	167,990	21,954	15.0

We achieved positive operational results for the 2020/2021 and 2021/2022 harvest years.

Operational expenses

Our administration and sales expenses increased as a result of the return to in-person activities and the events we undertook to publicize CTC, which had been suspended due to the Covid-19 pandemic.

In “other expenses (revenues)”, we attributed the increase mainly to lifting the requirement for paying the Federal Government’s Financiadora de Estudos e Projetos (Finep), subsidy for projects focused on technologies applied to the sugar and ethanol industry’s.

In R\$ thousand	2020/2021	2021/2022	VARIATION IN R\$	VARIATION IN %
Administrative and sales expenses	80,984	95,524	14,540	18.0
Other expenses (revenues)	-7,616	3,302	10,918	-143.4
Total expenses	73,368	98,826	25,458	34.7
Net revenue %	21.7%	23.4%	-	1.7 p.p.





Financial results

We achieved record financial results in the 2020/2021 and 2021/2022 harvest years. With the increase in the number of sugarcane varieties being marketed, considering both the area planted by our clients and our own market share, which accounts for 40% in Brazil (55% of which are elite varieties), we saw net revenues totaling R\$ 421 million in 2021/2022, up 25% from the previous period. Our net income increased by 24% from one harvest to the next, reaching R\$ 134 million, the highest amount ever recorded in our history.

In terms of cash generation, we recorded a positive year, with a solid cash position and low levels of indebtedness. This position reflects our strategy of ensuring continuity of our investments in research and development for the future supply of varieties that will enable increased revenues, surpassing the commercial performance of the present cultivars.

In R\$ thousand	2020/2021	2021/2022	VARIATION IN R\$	VARIATION IN %
Net revenue	337,953	421,455	83,502	24.7
Gross earnings	223,561	284,086	60,525	27.1
Gross margin	66.2%	67.4%	-	1.3 p.p.
Ebitda	178,404	217,438	39,034	21.9
Ebitda Margin	52.8%	51.6%	-	-1.2 p.p.
Net income	108,398	134,003	25,605	23.6
Net margin	32.1%	31.8%	-	-0.3 p.p.
Investments in R&D (including intangible earnings)	146,036	167,990	21,954	15.0
Net cash	223,631	268,021	44,390	19.8

Direct economic value generated (R\$ thousand) GRI 201-1

	2020/2021	2021/2022
Revenue	376,291	453,666

Economic value distributed (R\$ thousand)

GRI 201-1

	2020/2021	2021/2022
Operating costs	93,251	106,138
Employee wages and benefits	85,410	99,454
Payments to capital providers	116,866	140,348
Payments to the government	80,764	107,726
Total	376,291	453,666

Economic value distributed (%) GRI 201-1

	2020/2021	2021/2022
Operating costs	24.8	23.4
Employee wages and benefits	22.7	21.9
Payments to capital providers	31.0	30.9
Payments to the government	21.5	23.8
Total	100.0	100.0



ESG Strategy

1 Materiality



We have restructured and simplified our material topics, constructing a new materiality matrix.

Materiality

GRI 102-42, 102-46

For the 2020/2021 and 2021/2022 harvest year cycles, we restructured and simplified our material topics, namely the ESG (environmental, social, and corporate governance) aspects considered to be the most important for CTC to follow, monitor, work on and report. As such, in November 2021, we approved our new materiality matrix.

We ultimately consolidated the 19 material topics reported in our 2019/2020 Sustainability Report into 11 topics. We adjusted them to be more assertive and direct, while continuing to address all that is most relevant to the company, the sugar and ethanol industry, and the planet.

In this Sustainability Report, we have organized our content taking into consideration how CTC prioritized the topics during this cycle and connecting the company's operating strategy to the ESG aspects.

Stakeholder engagement GRI 102-43, 102-44

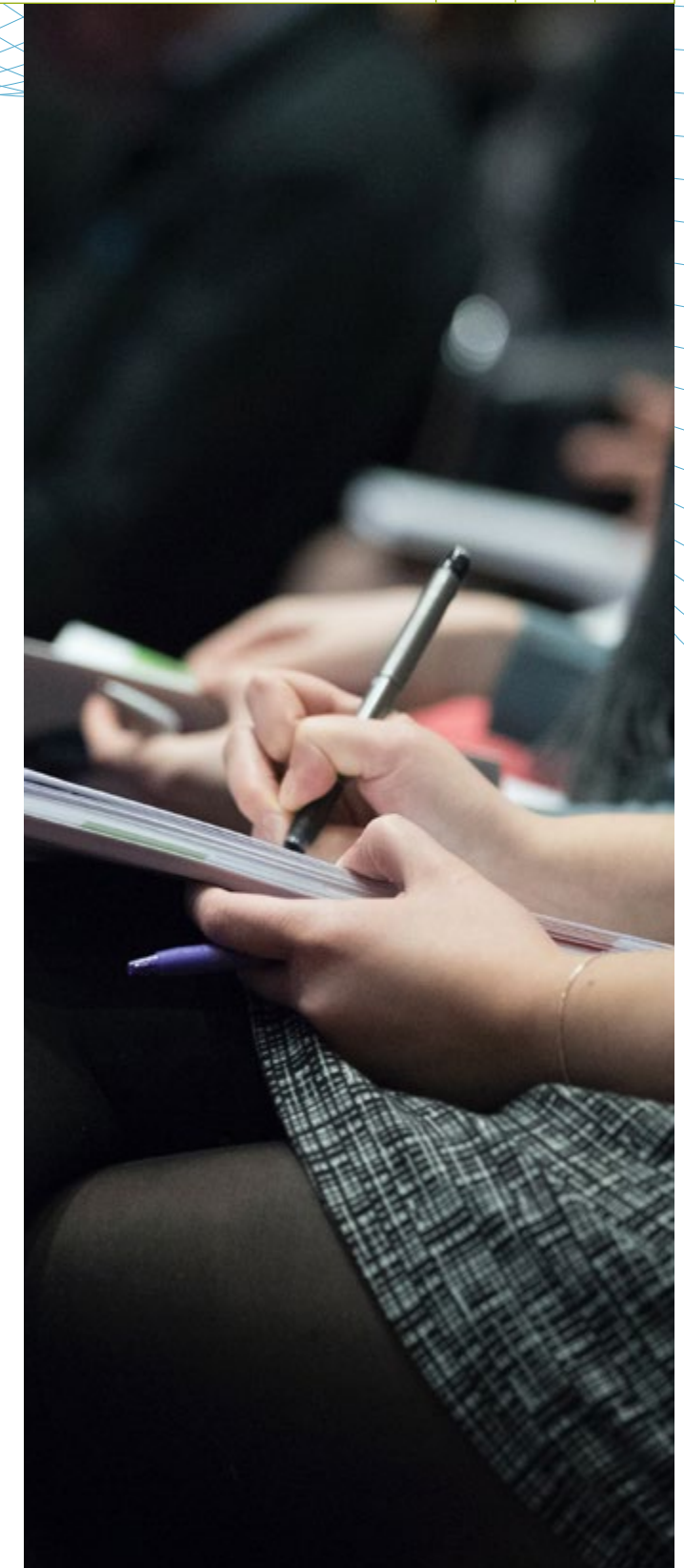
In the process of building the materiality matrix and generally listening to and engaging our stakeholders, we connected clients and employees as follows: on site, satisfaction questionnaires, the ombudsman channel, collective agreements, benchmarking events, studies with stakeholder groups, online studies, the Ethics and Behavior Hotline, as well as Supplier's Day, involving strategic suppliers, Board and

General Assembly meetings, partnership projects, and in-person meetings with potential investors and banks.

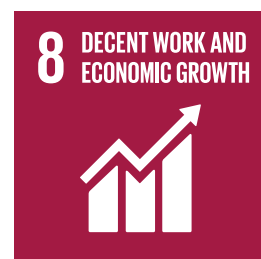
For public audience information, the company has responded to the topics and concerns through the minutes of Board and General Assembly meetings, the sustainability report, reference form, the institutional IR website, press releases, communication of relevant

facts, policies, governance reports, brochures and product information. For internal information, this is done through internal statements and policies.

None of these interactions have taken place specifically as part of the process involved in assembling this report.



Sustainable Development Goals (SDGs)



Priority topics GRI 102-47

Listed below are the 11 priority material topics defined by CTC. As a company committed to sustainable development, we have connected each one of these to a number of the specific Sustainable Development Goals (SDGs) outlined in the United Nations' 2030 Agenda.

1 Gains in Productivity: increase the Brazilian sugar and ethanol industry's productivity and sustainability through disruptive technologies. SDGs 2 7 8 9 12 13 14 15 17	2 Board of Directors structure and composition. SDGs 5
3 Technology management/stewardship: systems designed for managing and developing of products, ensuring quality and integrity of the information and materials under development. SDGs 9 12	4 Intellectual Property (IP) & Information Security: managing of knowledge, intellectual property and information security. SDGs 9
5 Training of the workforce: developing skills and talent within and outside the company. SDGs 4 8 10	6 Equal opportunities: diversity, inclusion, equality, and respect for human rights. SDGs 5 10 16
7 Anti-corruption. SDGs 10 16	8 Water and energy management: managing and conscientious use of natural resources, especially water and energy consumption. SDGs 7 14 15
9 Community relations: the process of continuous dialog and social activities with the communities in CTC locations' surrounding areas. SDGs 4 10 11	10 Waste management and recycling. SDG 12 14 15
11 Biodiversity impacts: evaluating and monitoring the impacts the company's units have on the surrounding biodiversity. SDGs 13 14 15	



Our stakeholders GRI 102-40, 102-42

CTC is a company that is proud of its long-term relationship with its stakeholders. As developers of technologies that are applied and used by clients and partners, we keep our eyes firmly set on the most pressing demands and goals of the sugar and ethanol industry, the regulatory agencies, and society as a whole.

CTC's main stakeholders are our shareholders, suppliers, employees, clients and the government at all levels, especially the Federal Government and regulatory agencies. We work alongside all of them to maintain constant dialog and engage them in our objective of fostering growth in the sugar and ethanol industry guided by sustainable and transparent initiatives.

We believe that the trust placed in our work is the result of developing disruptive technologies that fulfill their role of increasing sugarcane efficiency and reducing the use of natural and financial resources. This is confirmed by the fact that the country's biggest producers have chosen CTC.

All our relations with stakeholders are regulated by the CTC Code of Ethics and Conduct and by policies and regulations, which we will be presenting in more detail in the next chapter, while they are also available on the company's [investor relations website](#)



Relationship with the innovation, research center, and university ecosystem

In the 2020/2021 and 2021/2022 harvest years, we directed our efforts towards developing our strategic planning for the next 20 years, as we strive to expand our relationship with the innovation ecosystem in Brazil and abroad. We are working to identify partnership opportunities for developing of technologies and creating opportunities for researchers to work in the sugar and ethanol industry.

The aim is to turn CTC into a space for research and development that is capable of connecting with players including startups, universities and research centers, to ensure that even more results are achieved for the entire industry in the future. Our proposal is to join forces with partners with complementary technologies and knowledge.

We have a range of partnerships and/or interactions with *Escola Superior de Agricultura Luiz de Queiroz (Esalq)*, in Piracicaba (São Paulo State), *Empresa Brasileira de Pesquisa Agropecuária (Embrapa)*, *Universidade Estadual Paulista em Jaboticabal (Unesp)* and *Instituto de Pesquisas Tecnológicas do Estado de São Paulo (IPT)*, involving services for developing studies and preparing professionals to work in the sugar and ethanol industry. We are planning on expanding this type of connection, increasing the possibilities for creating new and disruptive products.



Corporate governance

- 1 Governance structure
- 2 Anti-corruption
- 3 Risk management
- 4 Technological management
- 5 Intellectual property and information security
- 6 Operations with clients
- 7 Supplier relations



Corporate governance at CTC has evolved. We work with integrity and our communication and relations with our stakeholders are fully transparent.

Governance structure

GRI 102-18

A clear evolution was seen in CTC's corporate governance in the 2020/2021 and 2021/2022 harvest years, with this area being regulated by the company's [Bylaws](#). Within these, we are getting ready to make our Initial Public Offering (IPO) on the B3 stock exchange, where we are been listed in the '*Bovespa Mais*' segment, but still only as a privately-held company. To perform the IPO, we have ensured that the company's governance structure ([published on the CTC IR website](#)) is absolutely transparent, while we have also improved our internal policies and regulations.

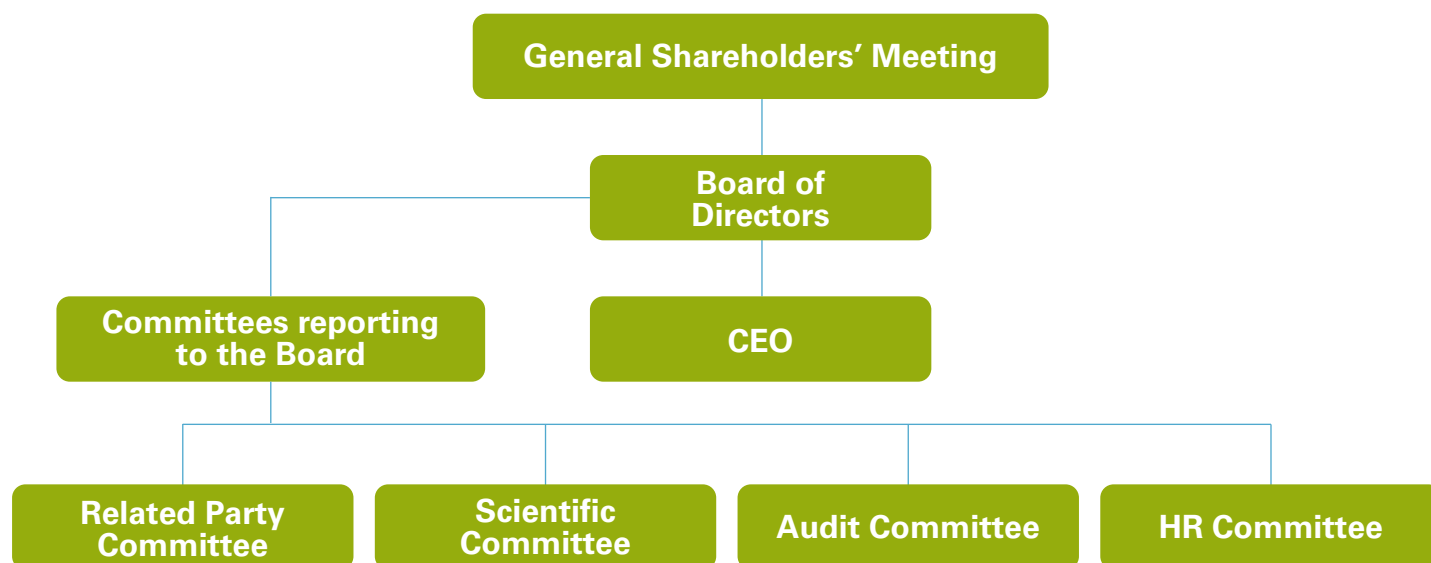
Our good governance practices especially include the principle of accountability, which is also available on the [IR website](#), and equal and respectful treatment of our shareholders, as well as our other stakeholders. With the advances achieved, we are now ready for the IPO, the date for which shall be set by the Board of Directors.

Internally, we disseminate and work to engage our employees in governance, compliance, control, and risk management mechanisms. Through direct and assertive communication, we have been implementing a new culture within the company, based on clarity, ethics, and transparency, for our entire internal audience to understand the company's operating manners and rules.

Within this context, in February 2022, we held our '1st Governance Week', involving talks, debates and institutional presentations. The event was staged online and involved a large number of our employees. Highlights included the publication of our new 'CTC Code of Ethics and Conduct', and information on the General Personal Data Protection Law, as well as internal risks and controls. [GRI 412](#)



Senior Management Structure and composition

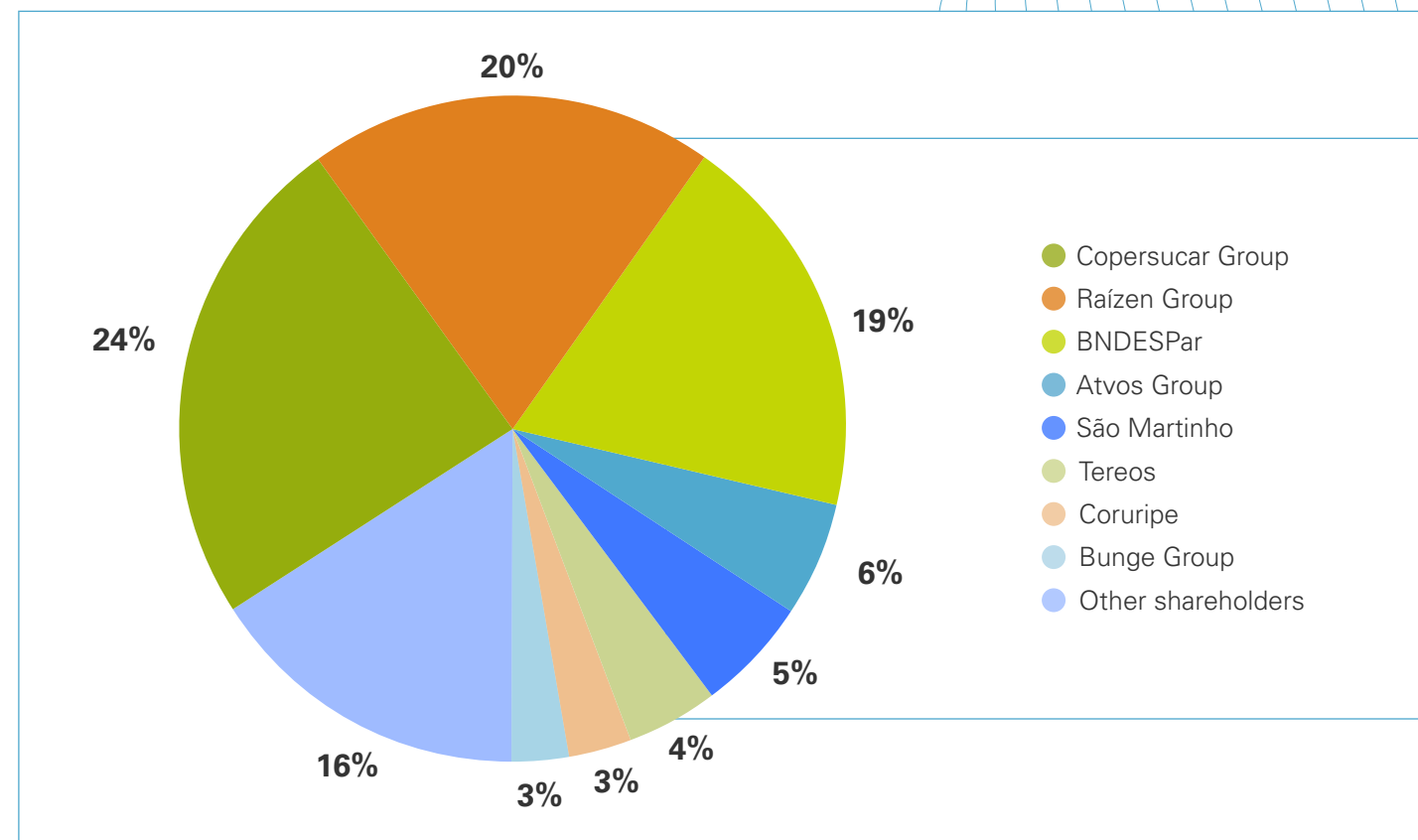


CTC's Senior Management is composed of the General Shareholders' Meeting, the sovereign body that is responsible for company decisions, the Board of Directors (BD) and its statutory advisory committees (Related Parties, Scientific, Audit and HR), as well as the CEO. CTC's Bylaws and its Internal Regulations define this structure and attribute each body's functions.

The Board of Directors is composed of up to 11 effective members elected by the General Assembly, with two or 20%, whichever is greater, being independent members. One of the elected effective members, one is elected Chairperson of the BD and another one is the Vice-Chairperson. The members sit for unified two-years terms, reelection being allowed.

Shareholder Structure

The shareholders with the biggest percentage of control in the company are: Copersucar Group (24%), Raízen Group (20%), BNDESPar (19%), Atvos Group (6%), São Martinho (5%), Tereos (4%), Coruripe (3%) and the Bunge Group (3%). The remaining 16% is made up of other smaller shareholders.



Organizational Structure

CTC's executive structure, led by the company's CEO, is composed of eight boards, who are responsible for leading the company's management, administration, supervision, and business execution teams. These include:

- R&D;
- Regulatory and governmental matters;
- Operations and sustainability;
- Financial and Investor Relations;
- HR;
- Legal and Intellectual Property;
- Strategic Planning and new business; and
- Marketing and Sales.

The CTC Executive Board includes three statutory members: the company CEO, the Director of Operations and Sustainability, and the Financial and IR Director.

Committees, policies and regulations GRI 102-17

The company's committees, policies and regulations are essential instruments for ensuring transparency in our corporate governance, as well as ethical conduct between employees and other stakeholders. To achieve this, the advances made in the 2020/2021 and 2021/2022 harvest years, with the improvement of these regulations and bodies, have been fundamental to CTC's evolution and its full preparation for the Initial Public Offer on the B3.

During this period, the following policies were published:

- Policy on Trading the Company's Shares (22-Oct-2020);
- Anti-corruption (22-Oct-2020; updated on 24-Jun-2021);
- Policy on Related-Party Transactions (22-Oct-2020; updated on 24-Jun-2021);
- Policy on the Announcement of a Material Fact (22/10/2020);
- Policy in Earnings Allocation (22-Oct-2020; updated on 24-Jun-2021);
- Policy on Contributions and Earnings (22-Oct-2020; updated on 24-Jun-2021);
- Policy on Remuneration (22-Oct-2020; updated on 24-Jun-2021);
- Policy on Gifts (22-Oct-2020);
- Policy on Appointment of Board and Committee Members (22-Oct-2020; updated on 24-Jun-2021);
- Commercial Policy (22-Oct-2020; updated on 24-Jun-2021);
- Corporate Risk Management Policy (22-Oct-2020);
- Risk Management Policy (24-Jun-2021);
- Policy on Information Security (29-Mar-2022) - due to information security protocols, this policy is only made available internally.

And the following internal regulations:

- Regulations Governing Related-Party Transactions (22-Oct-2020; updated on 24-Jun-2021);
- Regulations Governing the Statutory Audit Committee (22-Oct-2020; updated on 24-Jun-2021);
- Regulations Governing the Human Resources Committee (22-Oct-2020; updated on 24-Jun-2021);
- Regulations Governing the Scientific Committee (22-Oct-2020);
- Regulations Governing the Board of Directors (22-Oct-2020; updated on 24-Jun-2021);

All internal regulations governing our boards and committees, as well as the policies that guide CTC's operations, are published on the [company's IR website](#). We emphasize all of our regulations by means of clear and direct communication, thus increasing the dissemination of the CTC culture.

Anti-corruption

GRI 103-2, 103-3 | 205

We operate lawfully and tolerate no practices of corruption, bribery, extortion, fraud, or any type of anti-competitive behavior. During the 2021/2022 harvest year, as part of our actions to improve corporate governance, we reviewed and published a new Anti-corruption Policy, including directives, regulations, and practices aimed at combating illegal acts and mechanisms designed to ensure compliance with the Code of Ethics and Conduct.

By means of this document, which is [available on the IR website](#), we stress our commitment to conducting our business with respect to the highest standards of ethics, governance, and integrity. We have established directives, and

defined warning signs for CTC employees and managers, so they are able to identify situations that may suggest the existence of acts being practiced that could damage the regulations that we adopt. Furthermore, the text provides guidance on how these professionals should act in their interactions with public officials. We also clearly outline the ways in which accusations can be registered and the proper channels for reporting any suspected acts of corruption, always assuring anonymity and confidentiality.

Added to this new policy are the Code of Ethics and Conduct, and the Gifts, Presents and Hospitality Policy. All these regulations were developed in strict accordance with Brazilian

legislation, especially with regard to Law nº 12.846/2013 (Anti-Corruption Law), regulated by Federal Decree nº 8.420/2015; Decree Law nº 2.848/1940 (Penal Code); Law nº 8.429/1992 (Administrative Misconduct Law); Law nº 9.613/1998, and Law nº 12.813/2013 (Money Laundering Law), including their regulations and other related norms.

During the 2020/2021 and 2021/2022 harvest years, we received no accusations with regard to the “corruption” issue.



100% of our employees were advised of our new policies and procedures relating to anti-corruption, and 85% received training on this matter GRI 205-2

Code of Ethics and Conduct

GRI 102-16, GRI 103-2, 103-3 | 205, 206 | 412, 419

Our Code of Ethics and Conduct was also reviewed, updated, and broadly disseminated during the 2021/2022 harvest year. The document is based on Brazilian legislation and on CTC's belief that more important than *achieving* planned results is the *manner* in which they are achieved, which should always be guided by ethics and compliance.

The company's Code of Ethics and Conduct, which is [available on-line for all our stakeholders](#), seeks to generate more sustainable and upright business, foster honest transactions and free and fair competition, and improve the business climate, while establishing confidence within the team regarding the market, our partners, and our clients.

The document highlights the following issues: occupational and environmental health and safety; respect for human rights and fostering

an inclusive and diverse work environment; fair and proper competition, and ethical and legal operations; gifts, presents, and hospitality; conflicts of interest; supplier relations; using and protecting resources and information; and CTC's institutional representation and its spokespersons.

We have also defined the company's Ethics Committee (composed of managers from the Legal, Commercial, Human Resources and Operations departments) as the body responsible for managing and ensuring the proper functioning of the Code and the Hotline.

Over the course of the 2021/2022 harvest year, we distributed information concerning the new Code to our employees and other stakeholders, including it as a highlighted theme during the Governance Week.



Principles and values

The principles and values that guide the activities performed by CTC are those of respect, ethics and transparency.

All CTC employees receive and sign the Code of Ethics and Conduct on joining the company. Whenever any change is made to the document, we communicate the changes to the internal audience.

Risk Management GRI 102-11

ETHICS AND CONDUCT HOTLINE: GRI 102-16, 103-2

The CTC Ethics and Conduct Hotline is open to all the company's stakeholders. It is the correct channel for inquiries, complaints, compliments, criticism, and accusations. To ensure anonymity, it is operated by an external auditor who manages the channel and is responsible for informing the CTC Compliance Officer of any contacts they receive, who then communicates the fact to the Ethics Committee, which is responsible for conducting the investigations.

The audit team, composed of independent members, periodically reports the matters raised in the channel directly to the Board of Directors.

[GRI 103-2, 103-3 | 205](#)

Communication with the Ethics and Conduct Hotline can be made using the following means:

- Toll-free number (in Brazil): 0800-771-8199 (Monday to Friday, 8am to 8pm);

- Phone Message: 0800-771-8199 (Monday to Friday, after telephone operating hours or on weekends and bank holidays);
- E-mail: canaldeetica.ctc@iaudit.com.br;
- Hotsite: <https://denuncia.iaudit.com.br/sistema/ctc>.

During the 2020/2021 and 2021/2022 harvest years, we received a total of 12 grievances, 100% of which were properly directed and resolved. The most recurrent themes were related to moral harassment, irregularities in ethical behavior, occupational health and safety, conflicts of interest, and regulatory non-compliance.

Advances in the corporate governance area during the 2020/2021 and 2021/2022 harvest years include the fully revising our risk matrix and reducing, approving and publishing of the Risk Management Policy, which is [available on the CTC IR website](#).

During these two cycles, we worked extensively on engaging with our employees, in order to increase involvement of all the departments in developing of the company's risk matrix and each individual's ability to assume their own responsibilities, such as analyzing of the likelihood of undesirable events and the respective actions that can be taken for preventing, containing or mitigating them. Furthermore, this issue was the subject of our Governance Week, increasing the reach of the distribution of the relevant information to our internal audience.

At each stage involved in the process of updating our matrix, we identify and prioritize the risks to CTC's business, in order to ensure that anything that materializes can be recognized in advance and managed at the proper level. This identification is performed using certain specific tools, including risk questionnaires; interview cycles; and auditing processes.

CTC considers the risk matrix to be a living instrument, that changes at pace with the company's evolution. As such, it is reviewed internally every year and every three years by an external auditor, while those risks considered to be of most importance have a shorter, one-year assessment cycle.

RISK MANAGEMENT POLICY

The aims of this regulatory policy, published in 2021, are:

- To foster the culture of risk management, develop and disseminate information on risks, culture and performance, covering all levels of the corporation as a whole, especially in those companies that are controlled, jointly controlled and affiliated.
- To define roles and responsibilities;
- To standardize concepts and practices;
- To ensure that the principles of governance are followed;
- To keep the Risk Policy aligned with the business strategy and objectives;

- To ensure that risks of corruption and fraud are monitored within the sphere of internal controls;
- To maximize the use of the information and technology systems that exist within the company to drive corporate risk management.

The policy also provides guidance on how to identify, analyze, evaluate, mitigate, monitor, and communicate the risks involved in each of the company's business areas. The document also defines the types of risk that exist within CTC, namely-strategic, financial, regulatory/legal, and operational, as well as those involving bio security.



Technological management

Developing solutions and disruptive innovations for the sugar and ethanol industry is an integral part of our DNA. As such, managing the technology of our assets and developing new products is CTC's core business. The intention is to always be able to rely on proper infrastructure and offer our employees the most up-to-date certification, improvement, and working conditions that enable us to create sugarcane varieties that offer greater productivity.

Through our research and investments, we expect to be able to make available to the market our varieties that have the potential to double the current sugarcane production over the coming decade. Our strategic planning projects that, over the next few decades, successive technology waves will disrupt the crop's productivity in Brazil.

Our entire research and development process is conducted within the company, from creating new varieties in the laboratories to field tests performed under the company's administration in different climates and soil-types across Brazil. We also employ specialist professionals focused on registering the cultivars with the relevant public authorities. After this stage, the process of producing seedlings begins in order to meet the market's demands.

In our laboratories, we manage all data and information by means of the 'LIMS' ('Laboratory Information Management Systems'), which the Computerized Systems Validation Guide, developed and implemented by Anvisa (the National Sanitary Surveillance Agency), has considered the most efficient means of controlling the cycle of laboratory processes, right from the beginning of the projects, and covering experiments, batches, samples, analyses, and specifications.

Over the coming years, among the management actions related to the technologies that we develop, we plan to expand our use of the 'Goods Law' (Law no. 1.196/05), which offers tax incentives to companies that perform research and development in the technological innovation area. This benefit is granted by the Federal Government, through the Science, Technology, and Innovations Ministry.

The total monetary value of the financial assistance received, from any public body, was R\$ 5,407,286 during the 2020/2021 harvest year and R\$ 3,979,975 during the 2021/2022 period.

GRI 201-4



Recognition

In March 2021, we were awarded the ETS ('Excellence Through Stewardship') seal, granted to companies that offer best practices in agricultural technology. We are the first Brazilian company to receive this certification, which is awarded by independent auditors. It attests to the high quality of the entire process involved in developing biotechnology products, and covers the entire sugarcane cycle, from discovering the gene to marketing.

Intellectual property and **information security**

Protecting our research and the varieties we develop is fundamental to the success of our business. The company receives revenue from the royalties received from patent protected cultivar use. As such, protecting our intellectual property and information security is an integral part of the company's technological management and results.

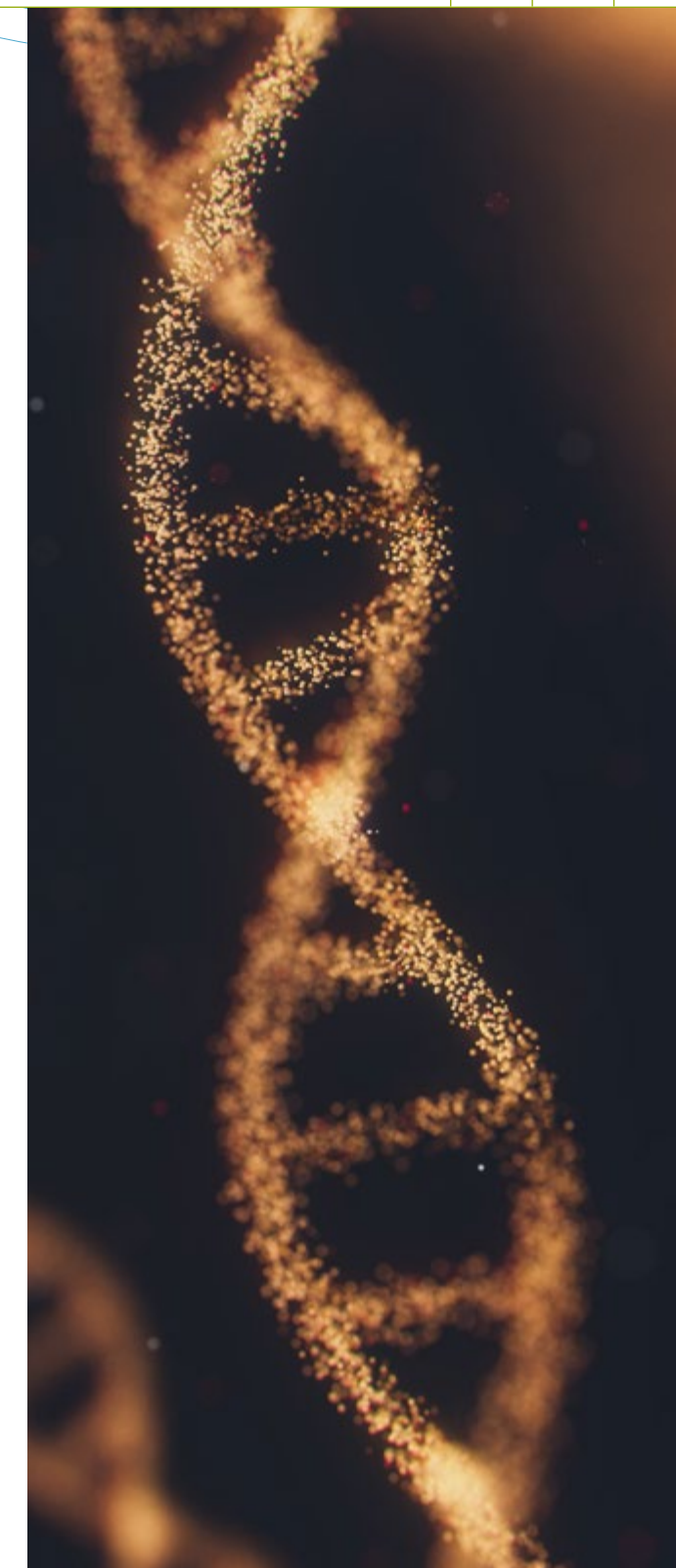
We operate in line with all applicable Brazilian legislation relating to this matter. Brazil's Cultivar Protection Law (9.456/1997) allows royalties to be charged for up to 15 years after registering the variety with the Agriculture, Livestock and Supply Ministry (MAPA), through the National Cultivar Protection Service (SNPC). Our technologies are also protected by the Industrial Property Law (9.279/1996). [GRI 103-2, 103-3 | 201](#)

During the 2020/2021 and 2021/2022 harvest years, we reviewed our Information Security Policy (IS). To disseminate it, we developed an internal training program for all CTC employees, within which we present the best methods for ensuring that information is protected, and recognizing and securing intellectual assets, thereby making the company more attractive to sugar and ethanol industry investors and professionals.

Our IS-related operations also include three-year planning that aims to implement technological solutions that ensure traceability, reliability, integrity and availability of the data which we work with. They are supported by three pillars that we have defined as processes (defining and publishing prevention, protection, and control methods for mitigating leaks and/or cyber-crimes); culture (engagement of the employees

and partners, through training and regular communication); and technology (investments in solutions that identify, control and ensure the defined objectives).

Another initiative developed over the last two harvest years was CTC's full preparation and alignment for meeting the requirements of the new Brazilian General Personal Data Protection Law (LGPD). We contracted an external consultancy to map any potential vulnerability areas and outline what needs to be done to bring us into line. As part of this process, we appointed our Data Protection Officer (DPO), published an LGPD pamphlet and created an LGPD committee. We held three training sessions for all our employees during the Governance Week, and one specific session for the members of the committee and the Legal Department. [GRI 103-2, 103-3 | 418](#)



Operations with clients

Operations with our clients are guided by ethics and transparency, building long-lasting relationships that offer positive results for every link of the sugar and ethanol industry's production chain. For this to happen, we have sales teams strategically distributed across different Brazilian states, who connect with the industry to understand their needs and expectations.

All our relations with clients are guided by the CTC Code of Ethics and Conduct and by the [commercial, intellectual property, and related-party transactions](#) policies. All these instruments are considered in creating our Sugarcane Plant

Material Multiplication Licensing Contracts and Other Agreements, or simply, the "Standard Licensing Agreement".

CTC's clients include independent sugar producers and sugarcane mills and processors. The pricing of the royalties collected for using those cultivars is based on the 'value sharing' model, under which company and client share the added value created by these products when compared to alternatives offered by the market.

[GRI 103-2, 103-3 | 417](#)

Supplier relations

Just as we do with our clients, we aim to establish long-term relationships with our suppliers, based on ethics and transparency, in all the links of the chain.

Similarly, our suppliers should comply with the currently applicable legislation as well as the requirements of our Code of Ethics and Conduct and our commercial, intellectual property and related-party transactions policies. All need to be registered and ratified, undergoing an internal screening and validation process, in accordance with the dictates of these instruments.

We perform risk evaluations on both new and existing suppliers in relation to environmental, social and governance issues. The process of evaluation performed on the raw materials acquired by CTC includes tests on the quality of the material and assessment of the practices adopted in the production, with results being identified by means of questionnaires.

As well as the need to comply with the entire ratification process when first contracted, suppliers classified as being critical undergo periodic checks, when we assess their certifications, conditions, controls and monitoring procedures relating to the environment, health and safety at work and quality.

Our personnel department performs checks on the social contributions made by our regular suppliers, ensuring the correct payment of overtime, and bonuses relating to hazardous and unhealthy working conditions. [GRI 103-2, 103-3 | 414](#)

During the 2020/2021 and 2021/2022 harvest years we developed actions designed to improve our relationship with our strategic suppliers. The intention has been to increase the services that they can provide to CTC. To achieve this, we have been sharing the company's needs and plans with these stakeholders. Over the course of this period, we held online events, called "Suppliers' Days", aiming to get closer to them and find ways in which we can be of benefit to each other.



All our relations with clients are guided by the CTC Code of Ethics and Conduct and by the commercial, intellectual property and related-party transactions policies.

Supply Chain GRI 102-9

During the 2021/2022 harvest, CTC worked with 1,015 suppliers, with purchases totaling approximately R\$ 170 million. Of this total, 502 suppliers fall into the services category and 408 (40%) into the materials category. There are also 105 (10%) that supply us in both categories - generally trading in capital goods trading, offering maintenance equipment.

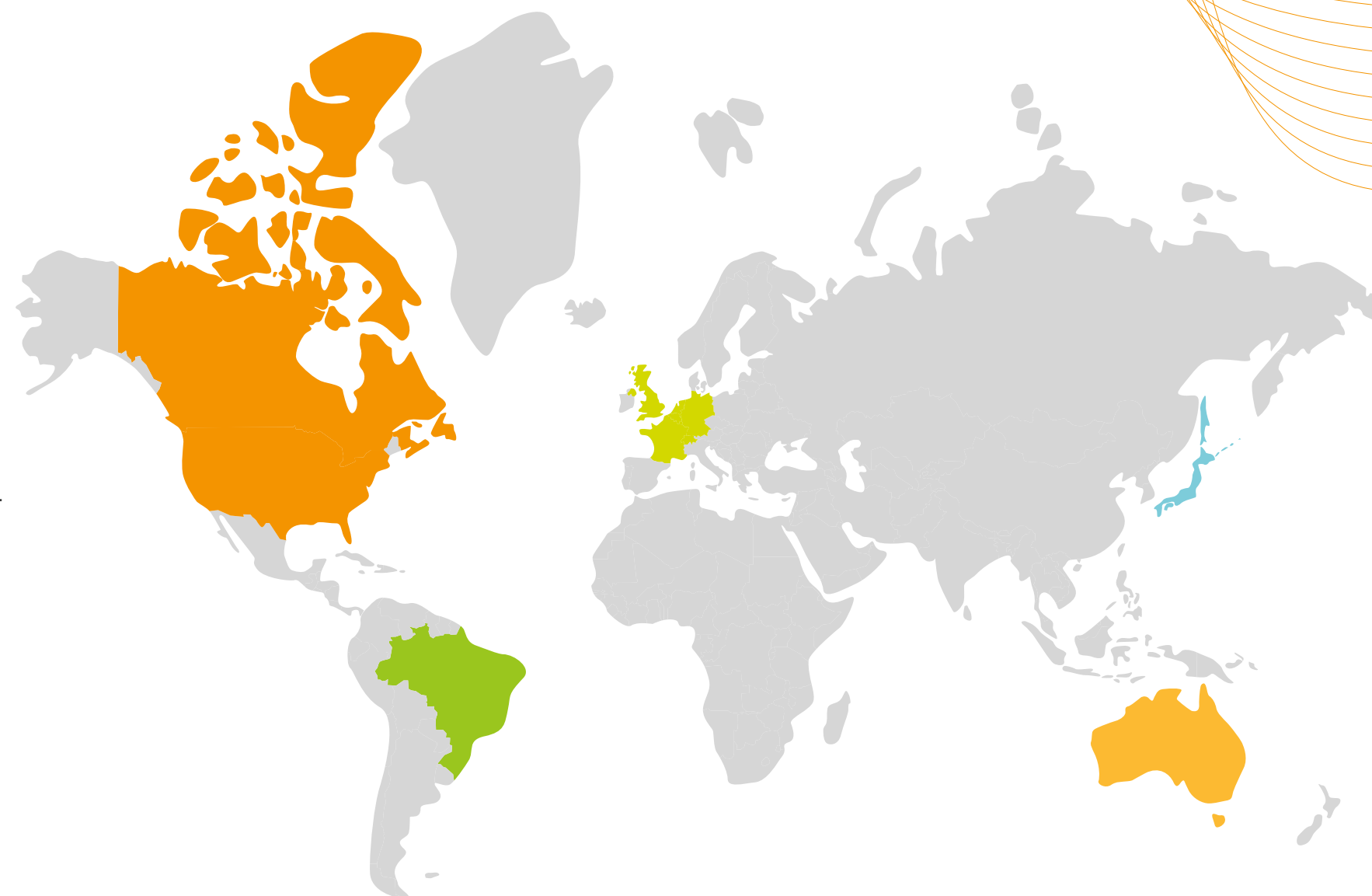
We have 20 categories of suppliers, including materials and services, five of which account for approximately 51% of the total volume of purchases (R\$ 87 million): Capex (machinery and equipment); technical and business services; plant materials; upgrades; and laboratory materials.

Of our 988 suppliers in Brazil, 796 are located in the Southeast (754 of which are São Paulo State). Next, comes the South, with 83, the

Northeast, with 54, the Center-West, with 52, and, finally, the Federal District, with three.

A local supplier is classified as being one located within 200 kilometers of the head office or unit being supplied. Of the total, 79% are local. Of the approximately R\$ 170 million spent on purchases, R\$ 134 million went to local suppliers.

The head office in Piracicaba (São Paulo State) recorded approximately R\$ 157 million in expenditures, around R\$ 123 million of which with local suppliers. The industrial center of Camamu (Bahia State) led this ranking, with 93% of the suppliers being local (R\$ 1.6 million of the purchases totaling R\$ 1.7 million went to local suppliers).



988 (around 97%)

of our suppliers are located in Brazil

One supplier

is located in Asia (Japan)

18 suppliers (1.7%)

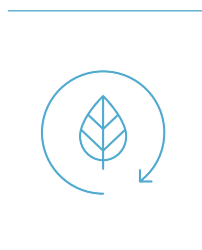
are in the US and one is located in Canada

One supplier

is located in Oceania (Australia)

7 suppliers

are located in Europe (United Kingdom, France, Switzerland, Belgium and Germany)



Specifically regarding the environmental assessment of our suppliers, we have developed a matrix for defining those who are considered of strategic value in environmental issues. All of them have their documentation analyzed and all are audited *at their own premises*. [GRI 103-2, 103-3 | 308](#)

Proportion of spending budget on local suppliers (%) [GRI 204-1](#)

City	2020/2021	2021/2022
Piracicaba (São Paulo)	75.3%	78.2%
Valparaíso (São Paulo)	89.5%	91.0%
Quirinópolis (Goiás)	85.8%	90.,7%
Barrinha (São Paulo)	82.0%	84.5%
Mandaguaçu (Paraná)	80.2%	80.4%
Camamu (Bahia)	84.5%	92.6%

PROCUREMENT PRACTICES [GRI 103-2, 103-3 | 204](#)

We have a Supplies Policy that establishes technical and financial criteria, purchasing categories, approval levels, pricing and payment rules, negotiation, scheduling, and acquisition time frames. Our economic practices for acquiring goods and services are guided by the Suppliers' Registration and Ratification Policy.

Our purchasing processes are tracked and documented in ERP/SAP and P2P systems, which are audited by the company's Controllership Department.

The Environment

- 1 Gains in Productivity
- 2 Agricultural practices
- 3 Impact on biodiversity
- 4 Water and energy management
- 5 Waste management and recycling
- 6 Emissions



By developing disruptive technologies, we work directly to ensure that the sugar and ethanol industry can meet global food and energy demands while protecting the environment.

Gains in productivity

GRI 103-2, 103-3 | 307

CTC acts decisively to enable Brazil to expand its competitive advantages in the sugar and ethanol industry, based on productivity gains.

In 2016, seeking to increase biofuel production based on predictability and environmental, economic and social sustainability, the Federal Government launched the RenovaBio program. Under the program, national decarbonization targets are defined by the fuel matrix, with the permission to trade Decarbonization Credits (CBIO). These credits represent carbon emissions avoided by biofuel manufacturers when compared to fossil fuels.

By 2040, the new technologies that are to be made available will have the power to raise the industry's average productivity to 100 tons of sugarcane per hectare, generating an additional 22 million CBios over the period. This could

mean that expansion of the planted areas is avoided, and diesel fuel consumption is reduced by 1.2 billion liters, pesticides by 66,000 tons and fertilizers by 5 million tons.

Thus, by developing disruptive technologies, CTC is acting directly with the aim of ensuring that the sugar and ethanol industry continues to meet the global demands for food and energy while also protecting the environment. As such, in addition to our internal actions focused on environmental conservation, (that we will outline in more detail below) we are working directly for the entire value chain, which we are part of, to be more productive, competitive, and sustainable.



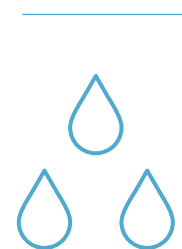
Agricultural practices

Our experimental centers are located in normal farming regions, they are registered with the Rural Environmental Register (CAR), and our operations comply with currently applicable environmental legislation, with full respect to the limits of the Permanent Conservation Areas (PCAs), Legal Reserves, and securing usage water in the sources and bodies of water that already exist on the properties. We adopt the most up-to-date sugarcane stewardship and farming techniques, such as practices developed for conserving the soil and pathways across our

properties; rational use of agricultural fertilizers and pesticides, with recommendations based on laboratory analyses; using autopilot equipped machinery to take better advantage of the landscape and gain efficiency in the operations; integrated pest and disease management, including farming practices and biological controls; crop rotation with legumes; and monitoring the experimental areas via drones, among other practices.

During the 2020/2021 harvest, a pilot project was implemented on areas covering 39 hectares located at the Piracicaba and Quirinópolis centers, using soybean as a rotation crop. Due to the good results obtained, the project was extended to the Barrinha center and the planted area increased to 130 hectares during the 2021/20211 harvest. It is expected that, as of the 2022/2023 harvest, the project will be implemented at the other centers, aiming to fully maximize agronomic benefits, and streamline the use of fertilizers and weed control.

We have also started another pilot project in Piracicaba, aiming to automate the irrigation systems depending on the crop phase, the meteorological data collected at the different CTC centers and information on soil humidity collected using sensors installed in the field, thereby increasing water-saving potential by up to 80% per hectare compared to current usage levels.



Our irrigation techniques are in line with technological advances in the agricultural industry, combining efficiency and rational use of water. Over the last few harvests, we have invested in acquiring of drip irrigation equipment, a system with the potential to reduce water consumption by 50% per hectare, when compared to the conventional sprinkler method.



Impact on biodiversity GRI 103-2, 103-3 | 304

Our properties, located in São Paulo, Paraná, Goiás, Bahia, and Paraíba states, cover a total area of approximately 1,530 hectares. During the 2020/2021 and 2021/2022 harvest years, we performed a series of actions designed to measure our direct impacts on the environment, which will form a basis for creating projects that will increase our activities' sustainability. Biodiversity conservation on CTC lands and their surrounding areas is one of the aims of this work.

In 2021/2022, we began fully monitoring the fauna, flora, and water resources at our installations in Piracicaba (São Paulo State) which are home to the company's head offices, laboratories and experimental planting areas. In March 2022, as a result of this action, we issued the Piracicaba Center Biodiversity Report and the Ecological Restoration Project and Environmental Conservation Plan, relating to the activities developed by the company on that site.

These documents show that biodiversity is well conserved and the water sources are in good condition. At our other areas, we found 62 species

of birds, including 28 recorded families - three of which are endemic to the Atlantic Rainforest and one to the Cerrado, while none are threatened with extinction. We also recorded 12 species of medium-sized and large mammals, belonging to 10 families and 6 orders, as well as 6 frogs and reptiles, belonging to three different families.

Among the recorded species, there are none that are **critically** threatened with extinction, but two which are threatened are the cougar (*Puma concolor*), which appears on state and national lists, and the black capuchin monkey (*Sapajus nigritus*), which appears on the global list. We also found four species listed as 'vulnerable', three as 'almost threatened', and nine as 'of some concern'. [GRI 304-4](#)

The next step in this plan will be mapping the other centers where we are present, monitoring biodiversity during different seasons of the year, replacing exotic trees with native species in the areas neighboring the water sources, and increasing tree density at specific points in our ciliary forests.

Water and energy management

During the 2020/2021 and 2021/2022 harvest years, we made significant headway in water usage and energy consumption management in our spaces and installations. We work proactively to increase the number of our consumption measurement points, aiming to identify locations with savings potential, while we are now also more streamlined in the event of problems arising in our operations or supplies.

Water GRI 103-2, 103-3 | 303

Over the course of the 2020/2021 and 2021/2022 harvest years, we expanded our actions related to controlling consumption and raising our employees' awareness of the need to conserve the water resources at CTC installations and in their homes.

At our installations in Piracicaba (São Paulo State) we have increased the number of hydrometers and started real time measurement water flow where its use is more intensive. The plan is that, once consumer patterns have been established, we will create projects aimed at reducing and, where possible, reusing this natural resource.

In order to reduce water consumption, we also perform regular field inspections and hold regular management meetings to monitor the situation.

Furthermore, we have now implemented a system for systematically assessing our various maintenance activities and works projects.

The total volume of water withdrawn in all the areas during the period assessed by this report was 346 million liters (surface and underground freshwater). No water was withdrawn from sources experiencing hydro-stress.

GRI 303-3, 303-5

At the Camamu (Bahia State) center, a large part of the water required for the agricultural activities is supplied by means of recycled rainwater.

GRI 102-12

By 2024, we will have increased the volume of rainwater reservoirs at Camamu and at the other centers.



Total water withdrawn by source (cubic meters - m³) GRI 303-1 (2019),

Harvest	EMPLOYEES (REGISTERED)	UNDERGROUND WITHDRAWAL (M ³)	SURFACE WITHDRAWAL (M ³)	TOTAL WITHDRAWAL (M ³)	INVOICING (R\$ THOUSANDS)	WATER WITHDRAWN/ INVOICING
2019/2020	369	6,602	211,292	217,894	244,801	0.0089
2020/2021	391	21,794	268,343	290,137	337,953	0.0086
2021/2022	436	23,014	323,082	346,096	421,455	0.0082

Our consumption does not directly impact our neighboring communities. We operate in full compliance with our allowances and our new projects are developed taking into consideration all the water limitations that are in place in our areas of activity.

modifications to processes and installations, consumption of drinking water was reduced to 3,500 m³/month, a more than 15% reduction.

All of the effluent generated by CTC is of a domestic nature and it is treated in compliance with the relevant agencies' regulations. [GRI 303-2](#)

WATER AND EFFLUENT MANAGEMENT

In Piracicaba (São Paulo State) we operate a Water Treatment Plant (WTP), with the resource being reused for human consumption and experimental operations relating to vegetation. Around 4,250 m³ was consumed during the 2019/2020 harvest. Currently, following

Human consumption of water at CTC generates domestic waste which is disposed of in drains, filters and gullies, or in infiltration ditches. [GRI 303-4](#)

Energy GRI 103-2, 103-3 | 302

Over the course of the 2020/2021 and 2021/2022 harvest years, we increased the number of power consumption meters in our office and laboratory facilities aiming to identify usage patterns and potential actions which could generate savings. In addition to the input meter at the installations in Piracicaba (São Paulo State) we also have another 18 installed at other strategic points.

In February 2021, we acquired more than 90% of our energy supply from the free energy market, as we sought to reduce the contracting costs involved in this input and ensure that it was drawn from renewable sources. To do so, we have contracted a consultancy that specializes in managing of this area.

96% of our fleet of light vehicles runs on ethanol. All new acquisitions of equipment, machinery, and supplies, in addition to financial considerations, look at their performance with regard to their environmental impacts.

Added to these efforts is much work spent on raising awareness on consumption, which involves all of our employees. We raise awareness on the need for individual actions and attitudes, such as how to manage the time that machinery and equipment spends in operation and lighting left switched on.

Total power consumption GRI 302-1

HARVEST	EMPLOYEES (REGISTERED)	CONSUMPTION (MW/H)	INVOICING (R\$ THOUSANDS)	MW/ EMPLOYEE	MW/ INVOICING
2019/2020	369	2,881	244,801	7.81	0.0000118
2020/2021	391	3,168	337,953	8.10	0.0000094
2021/2022	436	3,512	421,455	8.05	0.0000083

Consumption of fuels from non-renewable sources (GJ)	2020/2021	2021/2022
GLP (greenhouse warming + restaurant)	214	533
Diesel (machinery, trucks and generators))	6,200	7,360
Gasoline (fleet vehicles)	692	1,057
Total	7,107	8,951

Consumption of fuels from renewable sources (GJ)	2020/2021	2021/2022
Ethanol (fleet vehicles)	7,555	10,672
Total	7,555	10,672

Energy consumed (GJ)	2020/2021	2021/2022
Electricity	1,140	1,264
Total	1,140	1,264

* No energy was sold during the two harvest years reported, which is why no table relating to this information is included.

Total energy consumed (GJ)	2020/2021	2021/2022
Fuels from non-renewable sources	7,107	8,951
Fuels from renewable sources	7,555	10,672
Energy consumed	1,140	1,264
Energy sold	0	0
Total	15,803	20,888

Energy intensity GRI 302-3	2020/2021	2021/2022
Within the organization	1,140.48	1,264.32
Outside the organization	0	0
Total	2.92	2.90

* Metric used: number of employees. Calculation (2021): 1,264.32 / 436.

* Types of energy included in the energy intensity ratio: electricity



Waste management and **recycling**

GRI 103-2, 103-3 | 306, 306-2 (2021)

We respect the hierarchy established by the National Solid Waste Policy currently in effect in Brazil. Our projects are guided by non-generation, reduction, reuse, recycling, treating solid waste, and final, environmentally correct disposal of waste.

We have made important advances in CTC's waste management. We have begun monitoring waste generation and have assessed ways to reduce or better dispose of what we produce.

As a result of this work, 400% of our organic waste, which had previously been sent to sanitary landfills, is now recycled as compost or recycled for agricultural use.

We have collection and disposal stations especially dedicated to waste such as batteries, coffee capsules, light bulbs, medicines and electronics.

In Piracicaba (São Paulo State), we separate and send our recyclable waste to the '*Cooperativa do Reciclador Solidário*', a local recycling

cooperative that generates income for more than 40 families.

At the end of 2021, waste generated in our laboratories was sent for incineration. As of 2022, 100% of this waste is now being co-processed. This process involves reusing the waste as a source of energy in cement furnaces, helping to reduce CO₂ emissions and the amount of waste in sanitary landfills.

We strive to develop projects designed to progressively reduce the volume of organic waste disposed of in sanitary landfills. Our target is for 100% of this waste to be disposed of elsewhere.

All pesticide packaging used in our agricultural activities adheres to the reverse logistics cycle established by law. The transportation and disposal of waste is performed by certified companies, and we regularly monitor the processes employed by such companies.

[GRI 102-12](#)

We direct 100% of the organic waste generated at the canteen in Piracicaba (SP) to composting, as well as the plant waste resulting from pruning and gardening.

TOTAL WASTE GENERATED, BY COMPOSITION (t) GRI 306-3

	2020/2021	2021/2022
Category	AMOUNT GENERATED (t)	AMOUNT GENERATED (t)
Recyclable materials	16.9	21.3
Hazardous waste	24.8	35.7
Organic waste	44.2	47.7
Organic waste (restaurant)	-	0.8
Total	85.9	105.5

TOTAL WASTE DIRECTED TO FINAL DISPOSAL, BY COMPOSITION, IN METRIC TONS (t) GRI 306-5

	2020/2021	2021/2022
Composition	AMOUNT DIRECTED TO FINAL DISPOSAL (t)	AMOUNT DIRECTED TO FINAL DISPOSAL (t)
Recycling	16.9	21.3
Hazardous waste	24.8	35.7
Organic waste	44.2	47.7
Organic waste (restaurant)	-	0.8
TOTAL	85.9	105.5

TOTAL WASTE DIRECTED TO FINAL DISPOSAL, BY OPERATION, IN METRIC TONS (t) GRI 306-5

	2020/2021			2021/2022		
	WITHIN THE ORGANIZATION/ ONSITE	OUTSIDE THE ORGANIZATION/ OFFSITE	TOTAL	WITHIN THE ORGANIZATION/ ONSITE	OUTSIDE THE ORGANIZATION/ OFFSITE	TOTAL
Non-hazardous waste						
Landfill	0	44.2	44.2	0	47.7	47.7
Other disposal operations	0	16.9	16.9	0.8	21.3	22.1
Total	0	61.1	61.1	0.8	69	69.8
Hazardous waste						
Incineration (with no energy recovery)	0	24.8	24.8	0	35.7	35.7
Total	0	24.8	24.8	0	35.7	35.7
Total waste directed to final disposal	0	85.9	85.9	0.8	104.7	105.5

SPECIFIC DISCLOSURES

	2019/2020 HARVEST	2020/2021 HARVEST	2021/2022 HARVEST
Recycled waste (%)	18.4	19.7	20.2
Recycling ratio (recycled waste x general waste) (%)	35.6	38.2	44.6
Hazardous waste (%)	31	28.9	33.8
Non-hazardous waste (%)	69.9	71.1	66.1
Number of employees (registered + temporary)	369	391	436
Waste by employee (t)	0.225	0.220	0.242
Invoicing (R\$)	244,800,000	337,953,000	421,455,000
Waste/Invoicing	0.00034	0.00025	0.00025





Emissions

GRI 103-2, 103-3 | 305

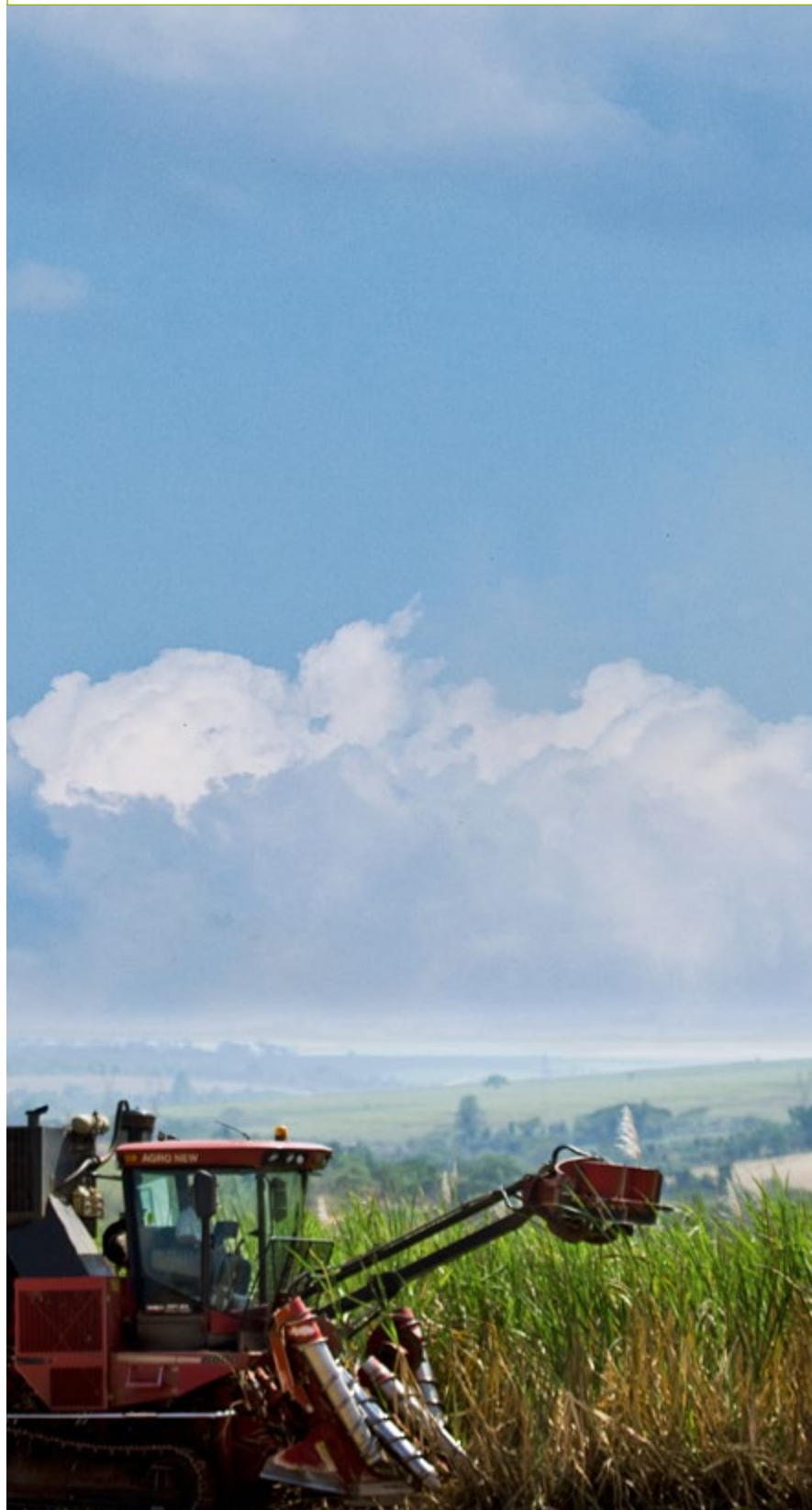
In the 2020/2021 and 2021/2022 harvest years, we made the first inventories of CTC's greenhouse gas (GHG) emissions. This action is part of our efforts to understand the impacts of our activities so we can minimize, mitigate, or offset them, always seeking sustainability of the company's business and the planet.

In conducting the inventories, we identified a low level of emissions in comparison with activities in the industrial sector. Scope 1 emissions saw an increase from 499 tCO₂e in 2020/2021 to 551 tCO₂e in 2021/2022 due to the resumption of a range of in-person activities following the period of restriction imposed by the Covid-19 pandemic. Scope 2 emissions, meanwhile, saw a drop, from 205 tCO₂e to 61 tCO₂e, as a result of acquiring renewable energy sources on the free market. Finally, there was a rise in Scope 3 emissions,

from 879 tCO₂e to 1,204 tCO₂e, caused by the 60% rise in the company's production of seedlings, via its licensed sellers.

The reduction in Scope 2 was submitted to the International Renewable Energy Certificate Standard (i-REC), which certified 100% of the renewable energy used at CTC Piracicaba (São Paulo State), including energy from wind, hydroelectric and solar sources. By doing so, we avoided the emission of 388 tons of CO₂ equivalent in 2021, meaning a 21% reduction in emissions.

In a number of totals, the 2020/2021 emissions stood at 1,583 tCO₂e while in 2021/2022 they reached 1,816 tCO₂e.



Direct (Scope 1) GHG emissions GRI 305-1

GHG Protocol Category	TOTAL FOSSIL EMISSIONS (tCO ₂ e)		BIOGENIC EMISSIONS (tCO ₂ e)	
	2020/2021	2021/2022	2020/2021	2021/2022
Stationary combustion	71	78	7	5
Mobile combustion	358	463	535	750
Agricultural activities ¹	0	0	796	896
Fugitive emissions	60	2	-	-
Effluents	10	8	-	-
Solid waste and liquid effluents	10	8	-	-
Total	499	551	1,338	1,651

¹ Studies are under way to calculate the biogenic emission, removal and storage of carbon, specifically in sugarcane farming.

Direct greenhouse gases (tCO₂e) emissions

	2020/2021	2021/2022
Power generation (heat or vapor)	0	0
Physicochemical processing	0	0
Transportation of materials, products, waste, employees and passengers	439	549
Fugitive emissions	60	2
Total gross CO² emissions	499	551

* The gases included in the calculations mentioned above are: CO₂, CH₄, N₂O, HFCS.

* Source: Brazilian GHG Protocol Program.

Direct removals (Scope 1) of GHG GRI 305-1

GHG Protocol Category	BIOGENIC REMOVALS (tCO ₂ e)	
	2020/2021	2021/2022
Agricultural activities	13	58
Reforested areas	131	189
Total	144	247

* inventory of CO₂ removals in green areas exclusively at the Piracicaba center

Direct (Scope 2) GHG emissions GRI 305-2

GHG Protocol Category	CO ₂ EMISSIONS (t)		I-REC CREDITS	
	2020/2021	2021/2022	2020/2021	2021/2022
Purchase of power (approach based upon the location)	205	61	-	388

* The gases included in the calculations mentioned above are: CO₂, CH₄, N₂O, HFCS.

* Source: Brazilian GHG Protocol Program.

Other indirect (Scope 3) GHG emissions GRI 305-3

GHG Protocol Category	TOTAL FOSSIL EMISSIONS (tCO ₂ e)		BIOGENIC EMISSIONS (tCO ₂ e)	
	2020/2021	2021/2022	2020/2021	2021/2022
Emissions involved in transportation and distribution (<i>upstream</i>)	604	935	71	108
Business trips	18	25	-	-
Transportation from home to work	257	244	30	29
Total	879	1,204	101	137

* The gases included in the calculations mentioned above are: CO₂, CH₄, N₂O, HFCS.

* Source: Brazilian GHG Protocol Program.

Intensity of greenhouse gas (GHG) emissions GRI 305-4

	2020/2021	2021/2022
Total greenhouse gas emissions (tCO ₂ e)	1,583	1,816
Intensity of greenhouse gas emissions	4.05	4.17

* The gases included in the calculations mentioned above are (fossil sourced): CO₂, CH₄, N₂O, HFCS and PFCS.

* Source: Brazilian GHG Protocol Program.

* Calculation base 2020/2021 (number of employees): 391

* Calculation base 2021/2022: number of employees: 436.



Social activities

- 1 Our personnel
- 2 Community relations



People are at the center of CTC's business: our product is the fruit of the work of a wide range of talents, who strive to generate value for the communities within which we operate.

Our personnel

At CTC, people are at the heart of the business. Our product, which is knowledge, is the direct result of the work of our broad range of talents. In the 2020/2021 and 2021/2022 harvest years, driven by the company's challenging, yet accelerated, organized and planned growth strategy, we have strengthened our culture and identified the necessary skills for achieving the targeted results.

Along these lines, we have trained our leaders in accountability ("owner's attitude") and strengthened the concepts of meritocracy, leadership, and focus on results. The aim is to ensure that all CTC managers are aware of their main role within the company: maximizing human potential, fostering achievement and professional recognition.

We have also made changes to how we communicate with our internal and external audiences. Based on these initiatives, the company's strategies are now disseminated more clearly, filtering across the organization and becoming more accessible to all of our stakeholders.

Internally, we encourage interactions between departments, teams and professionals within the different hierarchical levels that exist in the company. Since we are a source of ideas, we value creativity, curiosity, and breaking away from the status quo, as we seek to build a corporate environment that is ripe for innovation.

Success from this set of actions and strategy can be seen in figures: in 2022, we were placed first in the ranking of the best places to work in medium-sized agribusiness companies by the 'Great Place to Work' organization.





CTC One

During the 2020/2021 harvest year, we implemented 'CTC One', an online social tool, that boosts collaboration and integrates social medias and work. It provides an efficient means of ensuring information and interaction for all employees.



We provide a safe working environment by establishing good practices and policies, such as those involving recruitment and selection, educational and language subsidies, training, transfers, and hybrid working facilities. We provide fair compensation, based on market research, offering a transparent profit-sharing program, for example.



All the control exerted to ensure compliance with labor, social security, and tax policies and laws relies on contracting external audits, while we also have our own committed internal audit department. We do this for both internal labor relations and for contracting outsourced services and labor, requiring our suppliers to comply with all currently applicable legislation. 103-2, 103-3 | 401

Employee profile GRI 102-8

Employees by type of employment contract and gender

Type of contract	2020/2021			2021/2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Permanent	260	131	391	283	153	436
Total	260	131	391	283	153	436

* 100% of our employees are full-time and operate under permanent employment contracts.

Employees by type of employment contract and region

Region	2020/2021			2021/2022		
	TEMPORARY	PERMANENT	TOTAL	TEMPORARY	PERMANENT	TOTAL
São Paulo	0	329	329	0	372	372
Bahia	0	31	31	0	30	30
Goiás	0	22	22	0	25	25
Paraná	0	8	8	0	8	8
Paraíba	0	1	1	0	1	1
Total	0	391	391	0	436	436

* There are no temporary employment agreements at CTC.

Employees by age group

	2020/2021	2021/2022
Under 30	59	70
30 to 50 years of age	271	302
Over 50	61	64
Total	391	436

Employees by employment category

	2020/2021	2021/2022
Chairpersons	1	1
Directors	8	8
Management	24	27
Coordination	20	23
Supervision	13	12
Technicians	150	140
Administrative Staff	70	80
Operational Staff	105	165
Total	391	436

Workers by employee category and gender

	2020/2021			2021/2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Apprentices	6	2	8	4	4	8
Interns	8	17	25	7	11	18
Total	14	18	33	11	15	26

Individuals on governing bodies

	2020/2021	2021/2022
Members of governing bodies	2	2

Parental leave GRI 401-3

		2020/2021	2021/2022
Employees who have had the right to take leave	men	260	283
	women	131	153
Employees who have taken leave	men	1	5
	women	0	2
Employees who returned to work, during the period covered by the report, following the end of the leave	men	1	5
	women	5	2
Employees who returned to work following the leave and who continued to be employed 12 months after their return to work	men	4	5
	women	2	7
Rate of return	men	100%	100%
	women	100%	100%
Rate of retention	men	100%	100%
	women	100%	100%



Workforce training

As part of the cultural transformation fostered during the 2020/2021 and 2021/2022 harvest years, we intensified our employees' professional skills. We mapped the training needs of each professional, creating individual development plans. We assertively customized the advances made by each individual in line with the professional skills required for the different functions that we have at CTC.

In October 2020, to consolidate this vision of individual leadership (supported by tools and instruments made available by the company), we staged a 'Careers Week'. The online event featured 14 invited speakers: CEOs and professionals who achieved success in their areas of business spoke about how they developed to follow their own individual paths.

TRAINING AND QUALIFICATION

GRI 103-2, 103-3 | 404, 404- 404

We offer our employees in-person and distance training and development programs through the 'Successfactors' platform. We integrate compliance with legal and regulatory requirements, technical improvement, developing soft skills and, external training.

We have employees with different levels of training, including many holding Master's degrees, and PhDs. For everyone to have access to corporate education, we provide specific paths for each audience, personalizing each one of them depending on their individual needs, and ensuring that everyone has the chance to develop.



We mapped the training needs of each professional, creating individual development plans.





With the view that training management and technical personnel is essential to achieving the company's results, we increased the number and volume of training sessions being offered to our employees. From an average of 17 hours per year for each professional from 2016 to 2018, we moved up to 76 hours per employee in 2020/2021, and 57 hours per employee in 2021/2022 - a figure that we consider to be in line with with CTC's reality.

This vision provided the basis for the company to meet its targets it did in the two cycles and enabled our employees to receive recognition such as promotions. In the 2020/2021 harvest year, 45% of the job openings were filled by individuals already employed by the company. With regard to leadership positions, this rate rose to 73%. In the following cycle, 56% of th openings were filled internally, rising to 81% for leadership positions.

In addition to this, we have academic and language training subsidy programs that are offered to employees across all different areas of the company. We currently have 22 employees receiving support for academic training and 46 receiving support for learning a second language.

Average number of employee training hours by gender GRI 404-1

	2020/2021	2021/2022
Men	71	54
Women	86	62
Total	76	57

Average number of employee training hours by employment category GRI 404-1

	2020/2021	2021/2022
Chairperson	0	0
Board of Directors	0	0
Directors	52	122
Management	117	62
Coordination	146	59
Supervision	232	95
Technicians	81	61
Administrative Staff	99	78
Operational Staff	13	33
Total	76	57

ATTRACTING AND RETAINING TALENT GRI 103-2, 103- 103-3

We believe that creating opportunities for training and professional development, and ensuring a democratic, diverse and transparent environment, involving stimulating new ideas, fair remuneration, and recognition based on merit, are the driving forces that enable us to attract and retain talent at CTC.

To increase the attraction of professionals who meet the desired profile at CTC we expanded our participation in social media during the 2020/2021 and 2021/2022 harvest years, principally on the [LinkedIn](#) platform. We made our [Instagram](#), [Facebook](#) and [YouTube](#) profiles more active, with greater engagement through direct, objective and clear messages about the company.

In the 2020/2021 harvest year, we had a 6% voluntary turnover, which was lower than the 8% industry benchmark. In 2021/2022, the company's level was 5%, while the market reference for the segment was 7%

The result of the actions for both attracting and retaining talent can be seen in CTC's positive results. In the 2020/2021 harvest year, we had a 6% voluntary turnover, which was lower than 8% industry benchmark. In 2021/2022, the company's level was 5%, while the market reference for the segment was 7%.

We also have the 'Young Talents Program' for interns as part of our talent attraction. We currently have 18 interns taking part in this development initiative, representing around 4% of the total number of employees.

Also during the 2021/2022 harvest, we created the Trainee Program, aimed at identifying young talent and preparing them to take strategic positions within the company. In this pilot phase of the initiative, we have three youngsters working in the commercial and marketing departments.

Turnover Rate¹ GRI 401-1

	2020/2021	2021/2022
Total headcount	391	436
By gender		
Men	16%	17%
Women	21%	29%
By age group		
Under 30	59%	61%
30 to 50 years of age	12%	15%
Over 50	4%	7%
By regional distribution		
São Paulo	18%	24%
Bahia	3%	5%
Goiás	30%	16%
Paraná	25%	6%
Paraíba	0	0
TOTAL	18%	21%

¹Calculation methodology: [(hires + dismissals)/2]/total headcount



Equal opportunities GRI 103-2, 103-3 | 406, 408, 409, 412

An integral part of our culture is creating and ensuring equal opportunities for all of our employees and other stakeholders. We aim to make sure that our activities are guided by ethics, as set forth in our Code of Ethics and Conduct and in our internal policies and regulations.

We believe that an environment of innovation, research, and development is made that much richer and more robust by a diversity of opinions and values. We believe in growth and strengthening of results through debate and freedom to express one's ideas. As such, we encourage this type of exchange, and strive to ensure that all our professionals' opinions are fully respected, without any kind of retaliation, regardless of hierarchical level, gender, race, ethnicity, belief or sexual orientation.



We are committed to a range of internationally agreed regulations, including the UN's 'Universal Declaration of Human Rights' and the International Labour Organization's 'Declaration on Fundamental Principles and Rights at Work'.





DIVERSITY, INCLUSION AND RESPECT FOR HUMAN RIGHTS GRI 103-2, 103-3 | 405

CTC's basic premise in fostering diversity is that it is committed to inclusion and respect for all human rights. As such, we actively strive to ensure that the company's work environment is open and receptive to all types of opinions and ideas, so that the management is aware of their role in encouraging an inclusive attitude.

Through this work focused on raising awareness and with the support of specialist consultants, over the course of the 2020/2021 and 2021/2022 harvest years, we were able to ensure that we reached our target of hiring disabled persons and starting to work on building new objectives that will enable us to expand diversity in the teams, with the effective inclusion of other social minority groups.

Even though the targets are still being defined, based on raising the awareness in our teams, in 2021/2022, we managed to fill 66% of the company's new management and senior management positions with people belonging to these groups.

Our team is currently made up of 63% of men and 37% of women. The racial makeup of our workforce is 69% white, 18% mixed-race, 6% Black, 2% other ethnic groups and 5% who wish not to identify their race. Meanwhile, 86% of the workforce declare themselves to be heterosexual, while 7% identified as LGBTQIA+, and 7% do not identify with any sexual orientation. Generations 'Y' (up to 41 years of age) and 'Z' (up to 28), who are traditionally more concerned with socio-environmental issues, make up 68% of our workforce.

Employees by employment category and gender (%) GRI 405-1

	2020/2021		2021/2022	
	MEN	WOMEN	MEN	WOMEN
Chairpersons	100.00	0.00	100.00	0.00
Directors	75.00	25.00	62.50	37.50
Management	75.00	25.00	66.67	33.33
Coordination	50.00	50.00	73.91	26.09
Supervision	69.23	30.77	41.67	58.33
Technicians	71.33	28.67	70.71	29.29
Administrative Staff	34.29	65.71	46.25	53.75
Operational Staff	80.95	19.05	69.66	30.34
Total	66.50	33.50	64.91	35.09

Employees by employment category and gender (%) GRI 405-1

	2020/2021		2021/2022	
	MEN	WOMEN	MEN	WOMEN
Apprentices	75.00	25.00	50.00	50.00
Interns	32.00	68.00	38.89	61.11
Total	42.42	57.58	42.31	57.69

Employees by employment category and age range (%) GRI 405-1

	2020/2021			2021/2022		
	UNDER 30	30 TO 50 YEARS OF AGE	OVER 50	UNDER 30	30 TO 50 YEARS OF AGE	OVER 50
Chairpersons	0.00	0.00	100.00	0.00	0.00	100.00
Directors	0.00	25.00	75.00	0.00	37.50	62.50
Management	0.00	87.50	12.50	0.00	85.19	14.81
Coordination	0.00	95.00	5.00	0.00	91.3	8.70
Supervision	7.69	76.92	15.38	16.67	75.00	8.33
Technicians	16.67	74.67	8.67	11.43	81.43	7.14
Administrative Staff	30.00	60.00	10.00	32.5	58.75	8.75
Operational staff	11.43	61.90	26.67	17.93	58.62	23.45
Total	15.09	69.31	15.60	16.06	69.27	14.68

* 100% of the workers (apprentices and interns) are in the under-30 age group.

Occupational health and safety

GRI 103-2, 103-3 | 403, 403-2, 403-4

Fostering safe working conditions and securing the right to a healthy life are targets that CTC has established with regard to its employees. To achieve this, we have professionals who are dedicated to fostering a good quality of life. All of our physical spaces have undergone scrupulous assessments of physical and ergonomic risks, seeking to provide better working conditions and minimizing any possibility of accidents.

We constantly monitor all our working environments, to this same end, and encourage everyone to take control in creating and maintaining of safe conditions. The guidelines on this issue are set out in our Health, Safety, and the Environment Policy (HSE, or SSMA in the Portuguese acronym), which is distributed to all our employees.

We also have an Internal Occupational Accident Prevention Commission ('CIPA' in the Portuguese acronym), involving representatives from all the company's areas, who meet every month to encourage adopting of a good mental approach to

health, safety, and the environment. Any possible occurrence is communicated and analyzed, to ensure establishing corrective and preventative measures for accidents and incidents.

During the 2021/2022 harvest year, with the resumption of on-site work, we intensified our employee awareness-raising actions concerning the importance of safety. During this period, we held ongoing dialogs with all the teams, providing useful information on a wide range of issues involving health, hygiene, and safety at work. In order to increase our staff's engagement on this issue, we also held an online 'CIPA Tournament', with competitions focused on the theme and awards for the winners.

During the 2020/2021 and 2021/2022 harvest years, even during those periods when the employees were working in a home-office or hybrid system, we continued hosting the Internal Occupational Accident Prevention Week ('SIPAL' in the Portuguese acronym).

It was hosted online, and we welcomed an average of 250 participants per day, who listened to talks on issues that were of great importance to the moment, such as mental health, emotional balance and women's health, as well as the importance of valuing safety.

Over the course of the two cycles, we held flu-vaccination campaigns. Due to the pandemic, in 2020, all of our employees and the members their families residing in the same house were immunized at home, thus avoiding travel and the possibility of exposure to infection. In 2021, with the advances in Covid-19 vaccination, this same public was served at drive-thru facilities.

During the related harvests, we did not record any employee accidents resulting in disabilities or fatalities.



'Donas de si' GRI 103-2, 103-3 | 403, 413

During the 2020 SIPAT, we presented the '*Donas de si*' ('Owning Ourselves') project to our employees. This project was developed in partnership with Hospital Ilumina and is aimed at fighting breast cancer and encouraging women's health. The campaign included a visit to the company's head offices, in Piracicaba (São Paulo State), by a traveling van that performed mammograms, pap smear tests and examinations for detecting mouth and skin cancer.

In 2021, we expanded these examinations to include a prostate specific antigen (PSA), for men, and visits by a contracted laboratory to perform blood tests designed to detect anemia, diabetes, low-vitamin levels and other underlying diseases.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT GRI 403-1, 403-2, 403-3, 403-6

Our Occupational Health & Safety System is composed of specialist professionals. We ensure that we remain aligned with currently applicable legislation, especially the Labor and Employment Ministry's Regulatory Norms, the regulations of the World Labour Organization (WLO), Brazilian Technical Regulations, the Fire Department Decree, Occupational Hygiene Regulations, and the American Conference of Governmental Industrial Hygienists (ACGIH), as well as the norms and decrees applicable to the activities we perform and our labor agreements. In the case of third parties, we respect their labor agreements and specific norms, but require full adherence to our policies, norms and regulations, even though they may be stricter than the currently applicable legislation.

All our employees, third parties and temporary workers are covered and supported by an occupational health & safety system, undergoing evaluations of their documentation and integration, as well as being able to access our outpatients services, awareness raising talks, audits, and technical inspections.

To monitor the hazards involved in our activities, we rely on the support of a specialist consultancy. All of our functions are mapped and any change is subject to new assessment.

Risk evaluation is also performed by a specialist consultancy, operating under our Risk Management Program ('PGR' in the Portuguese acronym). Based on this, we assign hierarchy of control to one employee who is responsible for occupational safety.



The results of these processes shed light on all the activities and spaces that could potentially be exposed to risk, helping to establish the measures required for mitigating and eliminating such risks. As such, they help to evaluate and improve our Occupational Health & Safety Management System.

By means of clear and direct communication, all of our employees are encouraged to report any and all safety-related problems, concerns of suggestions to their managers. In addition to this, the SSMA Department can be engaged via phone or e-mail, or in person.

Every employee has the right to refuse to engage in work where their health or safety is placed at risk. We emphasize this at our onboarding events, as well as in our service orders and dialogs on safety.

We offer health care insurance, with full national coverage, to all of our employees. Finally, all information on the health status of our workers is stored in physical and/or digital files, which can only be accessed by the SSMA Department. Using the information, as well as facilitating workers' health control, provides the basis for preventive health care.



We hold frequent training sessions for our employees, depending on each individual activity's exposure to risk. New employees are onboarded and the issues of health and safety at work are addressed. These mandatory training sessions are performed internally, or externally by a specialist company, at intervals that observe the current legislation on the issue. GRI 403-5

Health and safety data and rates on employees - GRI 403-9

	2019/2020 HARVEST	2020/2021 HARVEST	2021/2022 HARVEST
Number of work-related injuries	1	1	3
Rate of recordable work-related injuries	0.20	0.19	0.47
Number of man hours worked	1,004,287	1,052,514	1,277,143

* There were no fatalities or high consequence accidents of any nature in the 2019/2020, 2020/2021 or 2021/2022 harvest years.

COVID-19: PROTECTION AND CARE GRI 103-2, 103-3 | 403

At the beginning of the 2020/2021 harvest year, we radically altered our way of working due to the Covid-19 pandemic. We acted quickly to create a protective and safe environment for all our employees. At that extremely important time, we reduced our workforce to attend solely those activities considered to be critical or essential.

We immediately established a group for making emergency decisions, made up of members of the Board and professionals from the CTC health area. Our aim was always to ensure the health and integrity of our employees and their families, by communicating clear information on the disease and guidance on the care measures that needed to be taken.

We contracted the infectious disease specialist Álvaro Furtado da Costa, who worked on the frontline in combating Covid-19 at the Hospital das Clínicas in São Paulo. With his support, we were able to secure better technical decisions and updates on the pandemic. A number of online events, or 'lives', were held, providing not only our employees with quality information, but also their families. We also offered medical

attention and individual hospitalization to employees and their families.

We have been able to count on the support of Auster, a company specializing in providing personal support, including in the emotional and financial troubles and crises areas, for those who felt the need for such help during the pandemic, whether regarding their jobs or their family.

We provided conditions that were supportive for personal stability, through behavioral programs, quality of life, and fostering health. We provided online and in-person consultation services, respecting secrecy and confidentiality.

We ensured that those whose functions enabled them to work remotely did so, as well as those who belonged to risk groups, until significant advances had been made in terms of our scientific understanding of the disease and vaccinations. During this period, no involuntary dismissals occurred at CTC.

For those who returned to in-person or hybrid work, we created a protective environment, in

accordance with the strictest distancing and guidance protocols established by the Health Ministry and the World Health Organization (WHO). We distributed disposable masks and alcohol, increased the size of our cleaning and sanitation staff, and physically assigned all shared spaces, from chartered transport to the restaurant, from meeting rooms to administrative offices. We performed Covid-19 tests on anyone showing symptoms, as well as all our professionals on return from long periods away from the company's premises, such as bank holidays or collective vacations.

All employees showing Covid-19 symptoms or contamination received unrestricted support from CTC, with daily contact from the health care staff, and all necessary medical and psychological support.

These measures secured continuity of our activities, with no episodes of mass contamination, and we experienced no fatalities as a result of the disease. Regarding all actions taken through until March 31, 2022, CTC spent approximately R\$ 4.5 million on preventative measures and in maintaining ideal working conditions.



During the pandemic, we provided continuous assistance to all our employees and their families, including third parties. Our health care professionals individually monitored all confirmed cases, ensuring hospitalization, speed, and efficiency in the provided treatment.

GRI 403-6

GREAT PLACE TO WORK

In the 2020/2021 and 2021/2022 harvest years, for the first time we were included in the ranking of the best companies to work for published by the Great Place to Work international consultancy. As such, we performed studies to gauge the satisfaction of our employees in all areas of CTC, measuring the results and, based on them, developing action plans to continue improving the work environment.

In 2021/2022, we were considered the best place to work of the country's medium-sized agricultural companies.

The results obtained in the first two harvest years were extremely positive, a reflection of the changes implemented in CTC's personnel management. In 202/2021, we obtained a final score of 83 out of 100, positioning us among the best companies to work for in Brazil. In 2021/2022, we were awarded a score of 93, making us the best place to work in medium-sized agricultural companies in Brazil.

In our workplace climate studies, we also gauged our employees' rates of loyalty and satisfaction with the company, using the Employee Net Promoter Score (e-NPS). We jumped from 63 points in 2020/2021, a score that classified us in the "Quality Zone", to 82, putting us in the "Excellence Zone", the highest classification in the ranking.



Community Relations

In the 2020/2021 and 2021/2022 harvest years, CTC prepared to increase its actions in the communities surrounding its installations.

The focus of our action with the communities is education. Over the course of these two harvest years, we evaluated the areas where we have operations and invested in a diagnosis of the local needs, which will form the basis for future social projects.

In Piracicaba (São Paulo State), we created the 'Educa CTC' project, focused on environmental education for primary school children studying in the region's public schools. In Camamu, we identified the need for doing more, leading us to develop projects focused on reducing social inequality and fostering culture and education for children and adolescents in the region. This action is expected to be ready for implementation by the 23/24 harvest.

The company is now an important generator of employment in the regions where it operates. For the coming cycles, we intend to go further and build educational opportunities and new knowledge for those living in the surrounding communities. [GRI 413-1](#)

Social actions [GRI 103-2, 103-3 | 413](#)

During the 2020/2021 and 2021/2022 harvest years we carried out social actions together with the community in the Piracicaba (São Paulo State), region, in an effort to alleviate the suffering and difficulties brought about by the Covid-19 pandemic.

To do so, we instigated the "Double Solidarity" campaign, in which we encouraged CTC employees to donate staple food baskets. For each unit donated by our employees, CTC added another. In all, we collected and distributed 1,440 baskets in April 2021. The company undertook responsibility for the logistics involved in delivering the food and worked in partnership with the Santa Rosa de Lima Parish, which has a register of families in need.

We also undertook campaigns aimed at collecting warm coats and blood donation, mobilizing CTC employees to take part in both.



Education for the future [GRI 103-2, 103-3 | 405, 413](#)

Our company is paying special attention to those young apprentices who have chosen to make CTC the starting point in their professional lives.

We implemented the 'Super Apprentice Program', aimed at developing these young people, both in their professional and personal lives, by means of guidance and monthly classes that aim to prepare them for the future. The classes are given voluntarily by the CTC employees.

Over the course of the 2020/2021 and 2021/2022 harvests, we also developed the 'Educa CTC Project', aiming to advance environmental education, demonstrating the value of our business to sustainability, and encouraging the training of future scientists and environmentalists. We have opened our doors so that students from pre-selected public schools in the surrounding areas of our head offices, in Piracicaba (São Paulo State), can enjoy this experience. In 2022, we welcomed 60 students from the 5th grade of the Prof. Luis Claudio Alves Municipal School.

GRI Content Index

General disclosures

GRI Standards	Contents	Page/URL	Omission	SDGs
GRI 101: Foundation 2016				
GRI 101 has no Content				
Organizational profile				
	102-1 Name of the organization	6		
	102-2 Activities, brands, products and services	6		
	102-3 Location of head office	6		
	102-4 Location of operations	18		
	102-5 Ownership and legal form	6		
	102-6 Markets served	6, 13		
GRI 102: General disclosures 2016	102-7 Scale of the organization	18		
	102-8 Information on employees and other workers	56		8, 10
	102-9 Supply chain	39		
	102-10 Significant changes to the organization and its supply chain	-		
	102-11 Precautionary principle or approach	34		
	102-12 External initiatives	45, 48		
	102-13 Membership of associations	14		
Strategy				
GRI 102: General disclosures 2016	102-14 Statement from senior executive	4		

GRI Standards	Contents	Page/URL	Omission	SDGs
Ethics and integrity				
GRI 102: General disclosures 2016	102-16 Values, principles, standards and norms of behavior	13, 33, 34		16
Governance				
GRI 102: General disclosures 2016	102-18 Governance structure	29		
Stakeholder engagement				
	102-40 List of stakeholder groups	3, 27		
	102-41 Collective bargaining agreements	100% of the employees are covered by collective bargaining agreements.		8
GRI 102: General disclosures 2016	102-42 Identifying and selecting stakeholders	24, 27		
	102-43 Approach to stakeholder engagement	3, 24		
	102-44 Key topics and concerns raised	24		
Reporting practices				
	102-45 Entities included in the consolidated financial statements	-		
	102-46 Definition of report content and topic boundaries	24		
	102-47 List of material topics	3, 26		
	102-48 Restatements of information	3		
	102-49 Changes in reporting	3		
	102-50 Reporting period	3		
GRI 102: General disclosures 2016	102-51 Date of most recent report	3		
	102-52 Reporting cycle	3		
	102-53 Contact point for questions regarding the report	81		
	102-54 Claims of reporting in accordance with the GRI Standards	This report was prepared in accordance with the GRI Standards "Core" option.		
	102-55 GRI content index	70		
	102-56 External assurance	N/A		

Material topics

GRI Standards	Contents	Page/URL	Omission	SDGs
Economic performance				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	13, 14, 37		
	103-3 Evaluation of the management approach	13, 14, 37		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	22		8, 9
	201-4 - Financial assistance received from government	36		
Market presence				
Procurement practices				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	40		
	103-3 Evaluation of the management approach	40		
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	40		8
Anti-corruption				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	32, 33, 34		
	103-3 Evaluation of the management approach	32, 33, 34		
GRI 205: Anti-corruption 2016	205-1 Operations assessed in terms of the risks relating to corruption	100% of CTC's operations are assessed in terms of the risks relating to corruption		16
	205-2 Communication and training on anti-corruption policies and procedures	32		16
	205-3 Confirmed incidents of corruption and actions taken	There were no cases of corruption at CTC during the period covered by the report.		16
Anti-competitive Behavior				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	33		
	103-3 Evaluation of the management approach	33		
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No cases of anti-competitive behavior, anti-trust, or monopoly were identified during the period.		16

GRI Standards	Contents	Page/URL	Omission	SDGs
Taxes				
Energy				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	46		
	103-3 Evaluation of the management approach	46		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	46		7, 8, 12, 13
	302-3 Energy intensity	47		7, 8, 12, 13
	302-4 Reduction of energy consumption	There was no reduction of electricity consumption in the period covered by the report.		7, 8, 12, 13
Water and Effluents				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	45		
	103-3 Evaluation of the management approach	45		
GRI 303: Water and effluents 2019	303-1 Interactions with water as a shared resource	46		6, 12
	303-2 Management of water discharge related impacts	46		6
	303-3 Water withdrawal	45		6, 8, 12
	303-4 Water disposal	46		6
	303-5 Water consumption	45		6
Biodiversity				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	44		
	103-3 Evaluation of the management approach	44		

GRI Standards	Contents	Page/URL	Omission	SDGs
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None of the CTC centers are located within environmentally sensitive areas (PCA, EPA, areas of high biodiversity value, among others).		6, 14, 15
	304-2 Significant impacts of activities, products, and services on biodiversity	The activities performed by the company do not have a significant impact on the biodiversity.		6, 14, 15
	304-3 Habitats protected or restored	There are no protected areas or areas undergoing restoration at any of the units.		6, 14, 15
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by the organization's operations	44		6, 14, 15
Emissions				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	50		
	103-3 Evaluation of the management approach	50		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) emissions of greenhouse gases (GHGs)	51		3, 12, 13, 14, 15
	305-2 Indirect (Scope 2) greenhouse gas (GHG) emissions	52		3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	52		3, 12, 13, 14, 15
	305-4 Intensity of greenhouse gas (GHG) emissions	52		13, 14, 15
	305-5 Reduction of GHG emissions	There were no reductions of emissions compared to the inventoried year 2020.		13, 14, 15
	305-6 Emissions of ozone depleting substances (ODS)	CTC does not use substances that deplete the ozone layer.		3, 12
	305-7 Nitrous oxides (NOx), sulfur oxides (SOx), and other significant air emissions	The company does not produce air emissions at any of its units.		3, 12, 14, 15
Waste				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	48		
	103-3 Evaluation of the management approach	48		

GRI Standards	Contents	Page/URL	Omission	SDGs
GRI 306: Waste 2021	306-1 Waste generation and significant waste-related impacts	Our focal point is on using materials designed for research, for which disposal needs to be tracked and which needs to be performed by a certified company, thus guaranteeing compliance, tracking, contingency plans, and correct disposal. This laboratory waste is generated in our own activities.		3, 6, 11, 12
	306-2 Management of significant waste-related impacts	48		3, 6, 11, 12
	306-3 Waste generated	48		3, 6, 12, 14, 15
	306-4 Waste not destined for final disposal	All waste was destined to final disposal.		3, 11, 12
	306-5 Waste destined for final disposal	48, 49		3, 6, 11, 12, 14, 15
Environmental Compliance				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	42		
	103-3 Evaluation of the management approach	42		
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	In the period covered by the report, there were no significant fines or sanctions related to non-compliance with environmental laws or regulations.		16
Supplier environmental assessment				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	40		
	103-3 Evaluation of the management approach	40		
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers selected following consideration of environmental criteria	In the period covered by the report, 405 suppliers were contracted, with 14 of these procurements being based upon environmental criteria - 3.46% of the total		
Employment				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	55		
	103-3 Evaluation of the management approach	55		

GRI Standards	Contents	Page/URL	Omission	SDGs
GRI 401: Employment 2016	401-1 New hirings and employee turnover	60		5, 8, 10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our full-time employees are offered the following benefits: Invalidity and disability support; maternity/paternity leave; a share acquisition plan; a health care plan; life insurance; a pension fund/benefits plan. CTC does not offer benefits to temporary employees.		3, 5, 8
	401-3 Parental leave	57		5, 8
Occupational Health & Safety				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	64, 67		
	103-3 Evaluation of the management approach	64.67		
GRI 403: Occupational health and safety 2019	403-1 Occupational health and safety management system	65		8
	403-2 Hazard identification, risk assessment and incident investigation	64, 65		3, 8
	403-3 Occupational health services	Our health department develops the PCMSO by means of the RMP, and ensures adherence.		3, 8
	403-4 Worker participation, consultation, and communication on occupational health and safety	64		8, 16
	403-5 Training for workers in occupational health and safety	66		8
	403-6 Promotion of worker health	65, 67		3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Those workers who are not employees are monitored by the contracted companies' Risk Management Programs that are assessed periodically by CTC's Occupational Health & Safety Department.		8
	403-8 Workers covered by an occupational health and safety management system	100% of employees and workers are covered by the occupational health and safety management system		8
	403-9 Work-related injuries	In the period covered by the report, the total number of hours worked was 1,199,519.11. There were no fatalities during this period. There were three high consequence, work-related accidents		3, 8, 16
	403-10 Work-related ill health	There were no work-related illnesses identified in the period covered by the report. The occupational dangers/risks are identified and monitored by means of the Risk Management Program (RMP) and the PCMSO.		3, 8, 16

GRI Standards	Contents	Page/URL	Omission	SDGs
Training and education				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	58, 60		
	103-3 Evaluation of the management approach	58, 60		
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	59		4, 5, 8, 10
	404-2 Programs for upgrading employee skills and transition assistance programs	58		8
	404-3 Percentage of employees receiving regular performance and career development reviews	100% of CTC's employees received regular evaluations on their performance and career development during the period covered by the report.		5, 8, 10
Diversity and equal opportunity				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	62, 69		
	103-3 Evaluation of the management approach	62, 69		
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	100% of the individuals within the organization's governing bodies are men. The company does not perform any official monitoring of under-represented groups.		5, 8
Non-discrimination				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	61		
	103-3 Evaluation of the management approach	61		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no cases of discrimination in the period covered by the report		5, 8
Freedom of association and collective bargaining				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	CTC always allows its employees to participate in union meetings, both at the union's headquarters and on the premises of the company itself, and even provides the internal auditorium for staging these activities. We include union representatives in our workforce.		
	103-3 Evaluation of the management approach	-		
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association or collective bargaining may be at risk	We identified no suppliers that had violated CTC workers' right to exercise freedom of association and collective bargaining.		8

GRI Standards	Contents	Page/URL	Omission	SDGs
Child labor				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	61		
	103-3 Evaluation of the management approach	61		
GRI 408: Child labor 2016	408-1 Operations and suppliers considered to have significant risk for incidents of child labor	We do not perform any activities that use child labor. All of our service providers need to guarantee that they do not practice such activities, by means of an agreement.		8, 16
Forced or compulsory labor				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	61		
	103-3 Evaluation of the management approach	61		
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor	No operations were identified that could present risk of occurrence of incidents of forced or compulsory labor. Suppliers are required to provide decent working conditions for all of their employees and comply with the currently applicable legislation.		8
Human rights assessment				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	29, 33, 61		
	103-3 Evaluation of the management approach	29, 33, 61		

GRI Standards	Contents	Page/URL	Omission	SDGs
GRI 412: Human rights assessment 2016	412-1 Operations that have been subject to human rights reviews or human rights impact assessments	No operations were subjected to analyses or evaluations of impacts related to human rights during the 2020/2021 or 2021/2022 harvests, but the employees are advised to file reports of behaviors that are in violation of such rights		
	412-2 Employees trained in human rights policies or procedures	During the two harvest years covered by the report, 2020/2021 and 2021/2022, CTC trained 84.86% of employees in human rights policies or procedures		
	412-3 Significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening	-		
Local communities				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	64, 69		
	103-3 Evaluation of the management approach	64, 69		
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	69		
	413-2 Operations with significant (actual and potential) negative impacts on local communities	In the regions where the company operates, it is possible for environmental accidents to occur arising from transporting and handling of products, as well as fires. The impacts are low due to the nature of our operations, the distance from any urban center, and the existence of robust procedures designed to mitigate these risks		1, 2
Social assessment of suppliers				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	38		
	103-3 Evaluation of the management approach	38		
GRI 414: Social assessment of suppliers 2016	414-1 New suppliers that were screened using social criteria	100% of the total number of 405 new suppliers were selected using social criteria		5, 8, 16
Public policy				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	-		
	103-3 Evaluation of the management approach	-		
GRI 415: Public policy 2016	415-1 Political contributions	Political contributions are prohibited at CTC. We do not make any kind of financial political contribution or any contributions of any nature		16

GRI Standards	Contents	Page/URL	Omission	SDGs
Marketing and labeling				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	38		
	103-3 Evaluation of the management approach	38		
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	14		12
	417-2 Incidents of non-compliance concerning product and service information and labeling	There were no cases of non-compliance with regulations or voluntary regarding the information and labeling of products and services in the period covered by the report.		16
	417-3 Incidents of noncompliance concerning <i>marketing</i> communications	There were no cases of non-compliance with laws and/or voluntary codes related to marketing communication of including advertising, promotions and sponsorship.		16
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	37		
	103-3 Evaluation of the management approach	37		
GRI 418: Client Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no proven grievances related to violation of customer privacy, and no leaks, thefts or losses of client data communication occurred in the period covered by the report.		16
Socioeconomic compliance				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	33		
	103-3 Evaluation of the management approach	33		
GRI 419: Socioeconomic compliance 2016	419-1 Non-compliance with socioeconomic laws and regulations	There were no fines or cases of non-compliance with laws and regulations in the social and economic area in the period covered by the report.		16

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