



INTEGRATED

Report

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**SLC** *Agrícola*



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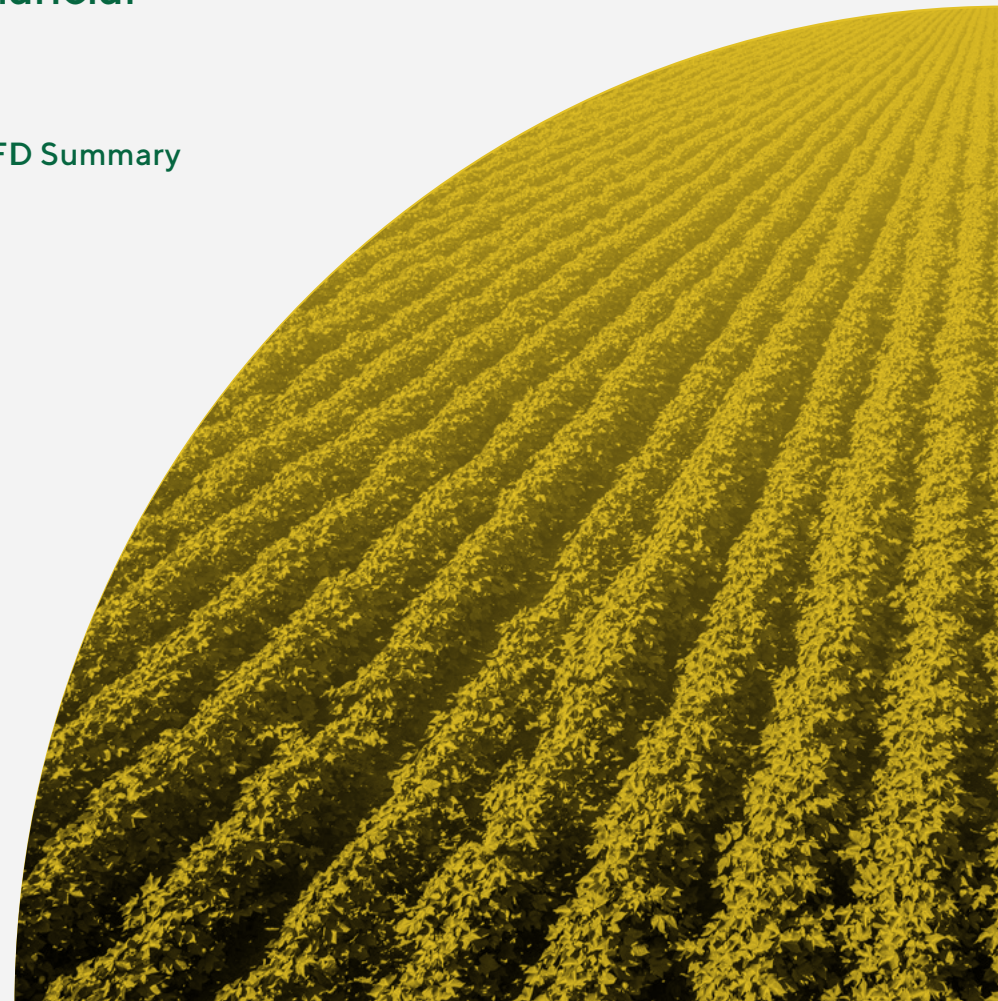
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# Welcome

## GRI 2-2, 2-3

Integrated Reporting brings stakeholders a high level of transparency about our commitment to the sustainable development of business, society and the planet. As a tool that assists in the company's sustainability management, the document also contributes to achieving our Big Dream, of positively impacting future generations, being a world leader in efficiency in the agricultural business and respect for the planet.

In this publication, we present the results, challenges and main achievements of 2022, which reinforce our growth and yield trajectory. The information submitted refers to the period from January 1 to December 31, 2022, covering part of the harvest years 2021/2022 and 2022/2023. The content was verified by the company's areas and reviewed by the leadership, which is in accordance with the presentation of the Integrated Report and the application of integrated thinking. The data included in this document relate to the operations of all units linked to SLC Agrícola S.A.

This document was developed in accordance with the GRI standards of the Global Reporting Initiative. We also use the principles of IFRS Foundation Integrated Reporting, which guides the disclosure of ESG information and economic and financial management in an integrated manner. In addition, we have adopted the SASB (Sustainability Accounting Standards Board) Standards for the agricultural products industry and incorporated the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The material was submitted to external verification by an independent company, whose scope of assurance included the GRI Standards and indicators. No relevant information has been omitted from this document.

**Enjoy your reading!**



### WANT TO LEARN MORE ABOUT THE CONTENT OF THE REPORT?

Comments and questions can be sent to the emails: [sustentabilidade@slcagricola.com.br](mailto:sustentabilidade@slcagricola.com.br) and [ri@slcagricola.com.br](mailto:ri@slcagricola.com.br).



# Highlights of the harvest\* and the year 2022

\* Includes data from September 2021 to August 2022.



## Crop numbers and yield 2021/22 crop year

**66.23**

bags of soybeans per hectare, company record

**116** thousand bags with 200 thousand cottonseeds

**+ 672** thousand

hectares of area planted in the 2021/2022 harvest

**+ 850** thousand

bags of 200 thousand soybean seeds

**+than 4.9** thousand

hectares in crop and livestock integration



## Business and marketing results in 2022

**784** thousand tonnes of corn (2<sup>nd</sup> crop)

**24.3** thousand head of cattle sold

**1.3** million tons of soybean

**277** thousand tons of cotton

**R\$7.4** billion in net revenue

**+ than R\$3 billion** in adjusted EBITDA

**R\$1.3** billion in net income



## Environmental agenda

We intend to **neutralize Scope 1 and 2 emissions by 2030**

**55%**

in reduction in net GHG emissions, per tonne of product, compared to base year 2019

**160** thousand

hectares with selective application of crop protection



# Crop highlights\*

\* Includes data from September 2021 to August 2022.



## People management and social impacts

+ **5** thousand Employees

+ than R\$ **600** thousand  
invested in the Educating for Life program

+ R\$ **300** thousand  
invested to enable community gardens

+than R\$ **6.5** million  
in social investments, of which R\$1.7 million were SLC investments and R\$4.8 million incentive investments

**280** employees participated in volunteer activities



## Corporate governance, innovation and technology

We joined the **Corporate Sustainability Index (ISE) B3**. We are also present in **Carbon Efficient indexes (ICO2 B3)** and **GPTW B3**

Awarded in the **Top Human Being 2022**, with the Female Leadership Program

We joined **Ethos Institute**, participating in the Integrity Working Group

We are part of Ibovespa (IBOV) **theoretical portfolio of assets**

**49** KPI's agricultural management monitored in our precision agriculture system

**27** platforms or digital agriculture solutions in farm management



# Message from the **Chairman of the Board of Directors** GRI 2-22

Throughout 2022, the company showed its capacity to respond and adapt to macroeconomic and climate scenarios, as well as made efforts towards priority topics related to SLC Agrícola business and the ESG agenda. Supported by our values, we continue to implement our strategic planning, achieving record results in conducting business and consolidate operations.

We are attentive to market transformations and the new demands of society and, to ensure that our activities are in line with the trends that are projected, we continue to foster innovation and technology. With SLC Ventures, our investment and impact business support front, we debuted in 2022 the Venture Builder segment, a *startup boosting program*. We invested in Pink Farms, a company that leads the vertical farm market in Brazil.

Our approach to technology also focuses on sustainability and seeks to reinforce our initiatives aimed at mitigating the company's carbon footprint. We have increased the coverage of precision agriculture sensors, reaching 160,000

hectares, which allows the selective application of crop protection, focusing on the potential to reduce the use of crop protection by 80%. We also expanded the monitored agricultural management indicators to 49 last year, gathering more data on climate aspects, yield and soil fertility.

Despite the climate impacts, which mainly affected corn and cotton crops, the company achieved solid yield results. We highlight soybeans: We reached a record in the journey of SLC Agrícola, with 66.23 bags per hectare. This scenario was also driven by the expansion of operations, carried out in 2021, which reinforces our capillarity – present in different regions of the country, the company is able to deal with local adversities with dynamism and flexibility.

We had climate challenges, but on the economic-financial front we reached significant numbers, in line with our strategic commitment to guarantee financial strength and generate value for our shareholders. In 2022, we maintained our leverage level below 1x and proposed the distribution of 50% of results as dividends to the company's shareholders.

Our decision-making structure reflects the pioneering spirit of SLC Agrícola, a publicly traded company since 2007 with solid corporate governance practices. We are part of Novo Mercado, of B3, a segment in which companies with reference performance in this area meet. In 2022, we also joined the Corporate Sustainability Index (ISE), as a result of continuous advances in our ESG fronts, especially in combating climate change. In addition, we have advanced the pillar of ethics and integrity with the association with Ethos Institute, becoming part of the Integrity Working Group.

This recognition of the company's performance in the environmental agenda reflects the advances made in the last cycles. SLC Agrícola reinforces its Zero Deforestation Policy, which comprises the company's commitment not to expand agricultural operations through the transformation of lands with native vegetation. Also, in 2022, we set the goal of making the company zero carbon in net emissions in Scopes 1 and 2 by 2030.

**Reflecting our constant evolution in the ESG agenda, we joined B3's Corporate Sustainability Index (ISE) in 2022.**



The year was also marked by relevant social initiatives. The company seeks to foster positive impacts on local communities and social development, especially through education. With SLC Institute, we invested R\$627 thousand in Educando para a Vida program and R\$324 thousand in the construction of community gardens. This commitment also moves our employees: in the Social and Environmental Action Group in 2022, we had more than 280 volunteers, supporting 31 institutions and impacting more than 2,000 people.

The leadership of SLC Agrícola recognizes the importance of this Report and supports the entire annual process of drafting the document. This is a commitment we have made to transparency and accountability and reflects the incorporation of integrated thinking and the ESG agenda into the company's decision-making.

We are attentive to trends, challenges and opportunities in the coming years. One of them is the care for our team, reinforcing the initiatives and actions aimed at the internal public, especially those related to professional development and digital inclusion. We will also continue to focus on process digitization, investments in technology and equipment acquisition and the consolidation of agriculture 4.0 in all our units.

**Eduardo Logemann**  
**Chairman of the Board of Directors**  
**of SLC Agrícola**



# Message from the CEO **GRI 2-22**

We continued to work, in 2022, in search of Our Big Dream, and this was reflected in actions on different fronts, focusing on yield, our socio-environmental impacts and the consolidation of operations, considering that we increased our planted area by 45% in the previous year, as a result of the business combination with Terra Santa Agro S.A. and the lease of the Agrícola Xingu S.A. area

In this scenario, we seek to ensure the maintenance of our high efficiency and yield rates with the integration of the new units. We reached record numbers in soybean production, but climate impacts, especially due to the lack of rainfall in Mato Grosso and Bahia, prevented high levels of cotton and corn crops. We deal with these adversities based on the company's presence in different regions and our actions to promote yield and reduce costs.

The predominantly *asset light* expansion movement continued in the last harvest in the seed production segment. Our business partner is in the final phase of building a new Seed Processing Industry (IBS). This project will allow

considerable growth in SLC Sementes brand, which in 2022 sold 856 thousand bags of 200,000 soybean seeds and 116 thousand bags of 200,000 cotton seeds in the 21/22 harvest.

Looking at the economic and financial sphere, we had impressive results this years, derived from our commitment to the company's strategic planning and the successful consolidation of operations. We ended 2022 with 7.4 billion in Net Revenue, R\$1.3 billion in Net Income and more than R\$3 billion in Adjusted EBITDA. In addition, we generated almost R\$1 billion of cash and brought leverage to only 0.77 x.

The people management pillar also stood out in the period, with actions to keep the team motivated and engaged around our values. We kept our *turnover* rate at a sustainable level, and prioritized, among other fronts, talent management, given the scenario of incorporation of the new units and the growing demand of the sector for qualified professionals.

On the axis of diversity and inclusion, we count on projects that made a difference. Semear Program remains active in the company with the mission of integrating people with disabilities (PwDs) into our team, in addition to promoting awareness actions, such as courses and dissemination of materials. Through the Women's Leadership Program, recognized by the Top Human Being 2022 award, the company increased the presence of women in leadership positions by more than 100% between 2018 and 2022.

Another priority in caring for the people of the team is the Inclusive Education Program, in which we structure initiatives to promote the development of our employees, focusing mainly on digital inclusion and EJA (Youth and Adult Education). In 2022, we offered classrooms, basic materials and transportation to 414 students of the course, which trained 176 employees in the year.

**We work focusing on yield and efficiency, in order to keep our standards even with the growth of 45% of the planted area.**





Regarding our contributions to sustainability, we maintained a prominent position in the sector in 2022. We won the Best ESG awards, from “Exame” Magazine, in the “Agro, Food and Beverages” Category; Best Agribusiness, from Globo Rural, with the first place in the “Agricultural Production” and “Sustainability” categories. In addition, we have matured our position on the climate agenda, with a commitment to neutralize Scope 1 and 2 emissions by 2030, in line with the efforts of other organizations in the so-called “Decade of Action”.

Our advances have also been in expanding the certifications in our units. The company's Integrated Management System (IMS), which standardizes policies and procedures in ESG management, has ISO 14001, ISO 45001 and NBR 16001 certifications in 13 units, taking into account our headquarters and 12 farms (two of these have ISO 45001 and NBR 16001 certifications). In addition, we have seven units certified to ISO 9001, including the headquarters.

All these achievements, as well as overcoming the obstacles of the last harvest, were only possible thanks to the commitment and engagement of our more than 5,000 employees, the confidence of our investors and the vision of the leadership. We will continue to be supported in the strongholds of SLC Agrícola to implement the pillars of our strategic planning, achieve good results, maintain our high standard of efficiency and generate positive impacts for society and the environment.

### **Aurélio Pavinato**

**Chief Executive Officer of SLC Agrícola**

**We are committed to neutralize Scope 1 and 2 emissions by 2030.**





## SLC Agrícola GRI 2-1, 2-6

SLC Agrícola S.A. operates in the production of *commodities*, seeds and crop-livestock integration techniques, through practices and technologies that prioritize the sustainability of business, society and the environment. The company was founded in 1977 by SLC Group, and is headquartered in Porto Alegre (RS). We are a publicly traded company, with shares traded on the Brazilian stock exchange (B3) and we are listed in Novo Mercado, a segment reserved for organizations with the best practices in corporate governance.

We serve customers in Brazil and other consumer markets, such as Asia. Our main *commodities* are cotton, soybeans and corn, produced in 22 farms, of which seven also operate with livestock, in a sustainable model of integration with crops. In addition, we produce and market soybean and cotton seeds, with high quality standards, through SLC Sementes brand.

Our team is responsible for the relevant achievements we had throughout the period, results of a management focused on people development. We ended 2022 with 5,220 employees, considering fixed and temporary professionals, and we continue to strengthen our internal initiatives, including the fostering of diversity and inclusion.

The last cycle also marked the consolidation process of our operations after the lease of areas of Xingu S.A., in April 2021, and the combination of business with Terra Santa, in August of the same year. Throughout 2022, our teams directed efforts to the integration of farms and adaptation of activities and processes to our standards, in order to ensure quality, yield and safety.

This operational growth is part of our strategic planning, which has evolved in recent harvests and, since 2015, focuses on four pillars: Predominantly *asset light* growth; Efficiency and distance from the average; Financial strength; and ESG stewardship (*read more on page 31*).



## Awards and acknowledgments in 2022 GRI 2-6



**Best ESG ("Exame" Magazine):**  
Agro, Food and Beverage Category;



**Best of Agribusiness (Globo Rural):** First place in the Agricultural Production and Sustainability categories;



**The Best of Dinheiro ("ISTOÉ DINHEIRO" Magazine):** Agribusiness category, with better overall performance of the dimensions analyzed and highlighted in "Human Resources" and "Innovation and Quality", being ranked first in both;



**Best Workplaces** (Great Place to Work);



**Incredible Places to Work** (UOL and FIA);



**Top Human Being 2022**, with the Female Leadership Program (*read more on page 51*);



**Ecology Expression Award**, Expressão Publisher in the Environmental Management Category – Agricultural Sector.

## Big Dream



Positively impact future generations, being a world leader in efficiency in the agricultural business and respect for the planet.

## Our values



We believe that those passionate for what they do are committed and do so with the highest quality, preserving their integrity through ethical, coherent and unquestionable conduct. These combined attitudes generate lasting and respectful relationships between all stakeholders, producing sustainable results that are economically viable, socially fair and environmentally responsible

- Integrity
- Passion for what we do
- Long-lasting relationships
- Sustainable results



## Participation in forums and associations GRI 2-28, 2-6

SLC Agrícola is associated with the Brazilian Association of Cotton Producers (Abrapa) and the regional associations of Goiás (Agopa), Bahia (Abapa), Maranhão (Amapa), Mato Grosso (Ampa) and Mato Grosso do Sul (Ampasul), in addition to the National Association of Cotton Exporters (ANEA) and the Brazilian Agribusiness Association (ABAG). We are also part of the Association of Seed Producers of the States of Matopiba - Maranhão, Tocantins, Piauí and Bahia (Aprosem) and the Brazilian Association of Soy Seed Producers (Abrass).

Regarding sustainability issues, participation in the Global Compact Brazil Network (RBPG), engagement with the International Responsible Soy Association (RTRS) and the American Chamber of Commerce for Brazil (Amcham) and association with Ethos Institute, with participation in the Integrity Working Group, stand out. In the field of people management, we also share experiences and practices with the market through participation in forums and associations, such as the Brazilian Association of Human Resources (ABRH-RS), the National Rural Learning Service (SENAR) and Junior Achievement Rio Grande do Sul (JARS).



## Our business **GRI 2-6**

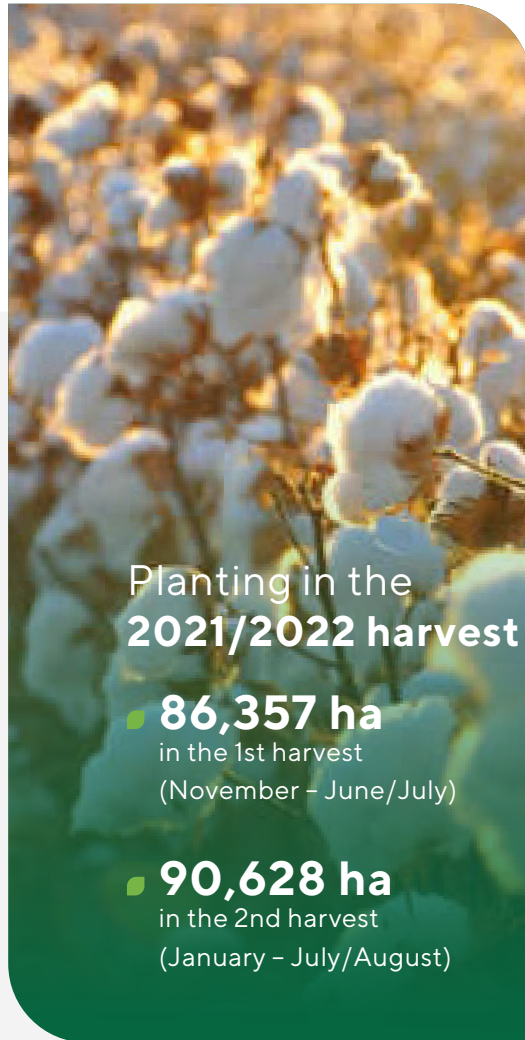
### Commodities



#### Cotton

Our journey in cotton cultivation in the Brazilian Cerrado began in 1998 and our process, as well as for other crops, goes through the stages of agricultural planning; preparation, sowing and management; harvesting; and processing and storage.

Cotton produced by SLC Agrícola has the Responsible Brazilian Cotton – APR (see more [here](#)) and Better Cotton Initiative – BCI (learn more [here](#)) certifications, which attest to good socio-environmental production practices.



Planting in the **2021/2022 harvest**

■ **86,357 ha**  
in the 1st harvest  
(November – June/July)

■ **90,628 ha**  
in the 2nd harvest  
(January – July/August)

Want to learn more about our cotton production? [Access here.](#)



#### Corn

Our production is recognized as outstanding in the country. In view of our soil management and protection strategy, corn is essential in crop rotation, taking into account the production of a considerable volume of straw, which contributes to recycle nutrients and increase organic matter to the soil.

The corn produced by SLC Agrícola is certified by *Round Table On Responsible Soy - RTRS Certified Soy* (see more [here](#)) and *Renovabio* (learn more [here](#)).

**We are the largest corn producer with RTRS certification, reaching approximately 87% of global production.**



Planting in the **2021/2022 harvest**

■ **11,737 ha**  
in the 1st harvest  
(January/February)

■ **121,633 ha**  
in the 2nd harvest (January/ May)

More information about our corn production can be found [here.](#)



## Soybean

Following our quality standards, the soybean produced by SLC Agrícola has the *Round Table On Responsible Soy - RTRS Certified Soy* (see more [here](#)), *Solutions for Sustainable Supplies - SSS* (learn more [here](#)) and *2BSvs - Biomass Biofuel Sustainability voluntary scheme* (learn more [here](#)) certifications.

Our soybean planting, in addition to contributing to meet the growing demand for plant protein in Brazil and worldwide, plays an essential role in crop rotation and allows direct planting in straw, as well as contributes to biological nitrogen fixation and nutrient recycling in the soil.



Planting in the  
**2021/2022 harvest\***

**334,891 ha**  
(September - March/April)

*\*Includes commercial soybeans and seeds.*

Check out more details about our soybean cultivation [here](#).



The company leads the world production of RTRS-certified soybeans, with about 23% of production.

## Crop-livestock integration

The incorporation of livestock into our portfolio allowed us to generate benefits on several fronts and has proven to be a strategic decision with significant impacts on the economic and environmental sustainability of our operations. This is because the integration expands the yield period beyond the two grain crops planted in the same area.

We started the project in 2018, at Fazenda Planorte (MT), and expanded two years later, including pasture planting, in view of the benefits for the soil - brachiaria, a grass that serves as feed for cattle, helps to increase soil fertility, a fundamental process in areas with lower yield.

The crop-livestock integration also has benefits to the environment, due to the positive impacts on soil management.

**In the 2021/22 harvest, crop and livestock integration covered a total area of 4,932 hectares.**



## SLC Sementes brand GRI 2-6

At SLC Agrícola, we are always attentive to opportunities for portfolio diversification and adding value, focused on the potentials of our business model and willing to develop disruptive projects. The knowledge and experience of our team allowed the company to also enter the soybean and cotton seed market.

SLC Sementes brand emerged to fulfill this purpose, relying on the support, technology and expertise of our research areas, located in 14 of our farms. Throughout the 2021/2022 harvest, we sold 856 thousand bags of 200,000 soybean seeds and 116,471 bags of 200,000 cotton seeds.

**We offer our customers a quality assurance index of 90% in germination under appropriate conditions.**

Our proposal is to offer Brazilian producers with high quality seeds, and the satisfaction of our customers is an essential metric for the company. For this, we have SLC Sementes Garante Program, whose quality assurance index is 90% at germination (under appropriate seeding conditions), and we act in the after-sales relationship through the Customer Portal, a virtual platform that allows us to track shipments and schedule deliveries.

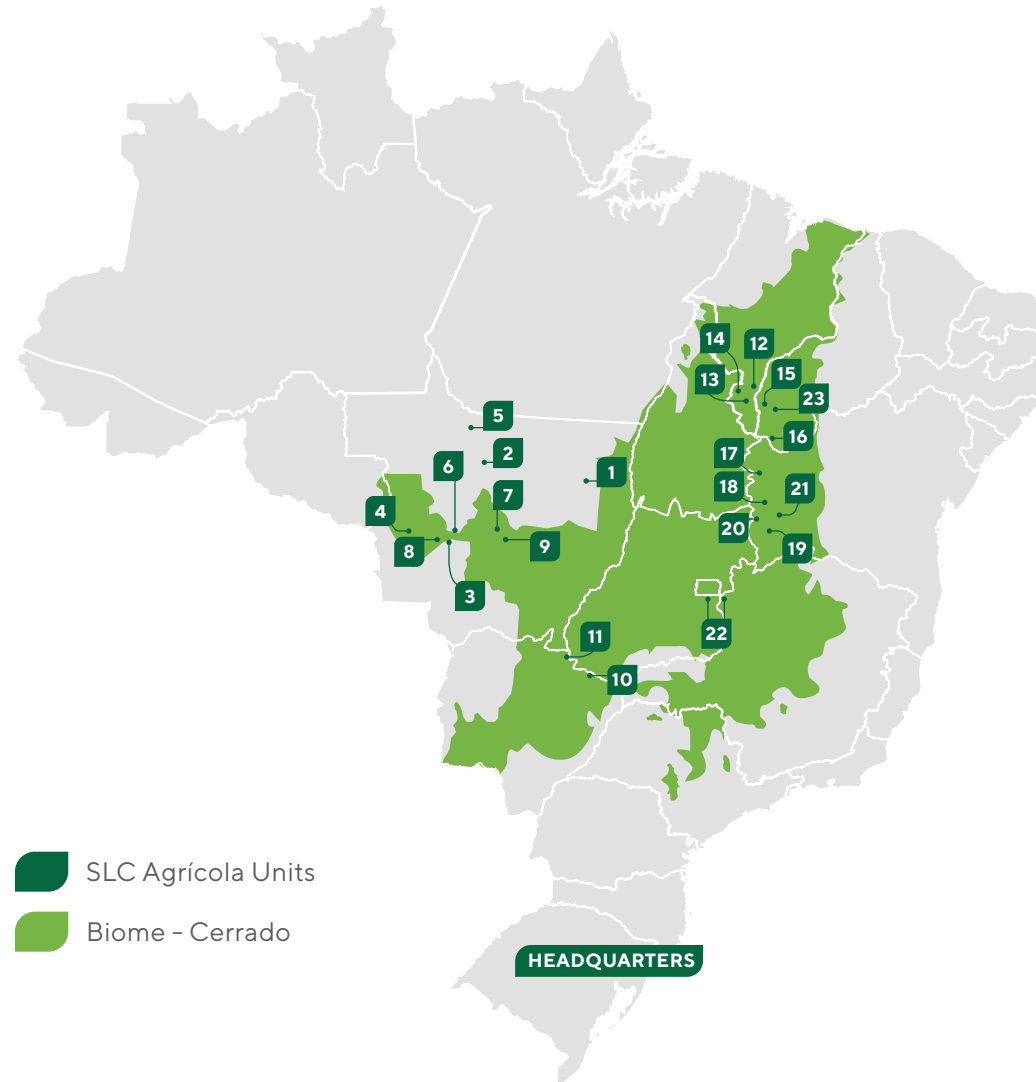


## Markets served GRI 2-6

We have 23 farms, 22 of which are production units, a farm leased to a third party (where there is no operation of SLC Agrícola) and our headquarters. Our units are located in seven states in different regions of Brazil, the result of planning aimed at resilience considering adverse climate scenarios.



## Location of production units and headquarters



	<b>1</b>	Pioneira	35,015 ha
	<b>2</b>	Perdizes	27,558 ha
	<b>3</b>	Paiaguás	63,582 ha
	<b>4</b>	Planorte	31,651 ha
MT	<b>5</b>	Próspera	32,531 ha
	<b>6</b>	Pejuçara	14,787 ha
	<b>7</b>	Piracema	19,368 ha
	<b>8</b>	Pampeira	41,179 ha
	<b>9</b>	Pirapora	21,745 ha
MS	<b>10</b>	Pantanal	44,822 ha
	<b>11</b>	Planalto	22,030 ha
MA	<b>12</b>	Parnaíba	44,870 ha
	<b>13</b>	Palmeira	33,286 ha
	<b>14</b>	Planeste	59,084 ha
PI	<b>15</b>	Parnaguá	10,774 ha
	<b>16</b>	Parceiro	13,035 ha
	<b>17</b>	Palmares	25,595 ha
BA	<b>18</b>	Paladino	21,866 ha
	<b>19</b>	Piratini	18,534 ha
	<b>20</b>	Panorama	21,782 ha
	<b>21</b>	Paysandu	39,533 ha
GO and MG	<b>22</b>	Pamplona	28,088 ha
PI	<b>23</b>	Paineira	Leased

Notes: Includes 1<sup>st</sup> and 2<sup>nd</sup> harvests





## Crop yield

Throughout the 2021/2022 harvest, some of our farms faced adverse weather events, which mainly affected corn and cotton production. Still, we reached a record milestone in soybean yield, with 66.23 bags per hectare, reflecting our efforts in search of efficiency and yield and the consolidation of operations after the expansion carried out in 2021, which increased our planted area by 45% (*read more on page 31*).

The strategy of resolving climate risks through the capillarity of farms, added to the hedging policy, is fundamental to ensure the maintenance of good results for the company.

### Production of major crops (t)

**SASB: FB-AG-000.A | FB-AG-000.B | FB-AG-000.C**

Cotton, 1 <sup>st</sup> and 2 <sup>nd</sup> Crop	263,522
Soybean	1,330,857
Corn (2 <sup>nd</sup> Crop)	766,653



In 2022, we reached a record in soybean yield, with 66.23 bags per hectare.





# Our materiality

GRI 2-29, 3-1, 3-2

The materiality of the company is comprised of ten topics in which our business generates most impacts, whether positive or negative, and represents the focus of our efforts towards sustainable development. Materiality is updated periodically to faithfully reflect the vision and expectations of our stakeholders.

The most recent update occurred in 2021 (see more [here](#)), when we consulted a group of stakeholders through 23 qualitative interviews, including interviews with company directors and managers, seeking alignment with corporate strategy. At the time, we also made available an *online* questionnaire open to all interested parties to evaluate an initial list of ESG topics proposed for prioritization.

The topics identified were related with the three pillars of the ESG agenda and guided the adoption of the indicators, standards and recommendations of the GRI, SASB and TCFD used in this Integrated Report. To contribute to the United Nations (UN) 2030 Agenda, we also connected material topics to the 17 Sustainable Development Goals (SDGs).

## Materiality topics

### E Environmental

- Climate changes
- Environmental management system

### S Social

- Socioeconomic impacts
- People development
- Diversity and inclusion
- Health and safety

### G Governance

- Certifications and traceability of products
- Ethics and compliance
- Innovation and productivity
- Risk management

## Engaged audiences

- Financial sector
- Shareholders investors
- Regulatory agencies
- Clients
- Government
- Capital Market
- Employees
- Suppliers
- Partners



10  
material topics identified



23  
qualitative engagement interviews conducted



For more details on the construction process of the material topics, access the [2021 Report](#)





# Business model

## Key supplies



### Natural capital

98% of farms with rainfed agriculture



### Manufactured capital

23 farms (one of them leased to third parties)  
671.9 thousand hectares of planted area in the 2021/2022 harvest



### Human capital

4,035 permanent employees  
1,185 temporary employees



### Financial capital

R\$ 609.3 million in Capex  
R\$ 780 million raised in operations with sustainability criteria



### Intellectual capital

All farms with 4G connection



### Governance

New market  
ESG Committee  
Integrity Program

*Learn more on page 20*



### Innovation

SLC Ventures, AgroX,  
Ideas&Results

*Learn more on page 31*

## Our value generation levers in the short, medium and long term

Agricultural planning and digital agriculture contribute to increasing yield in the field

### Best practices in growing and investing in research reduce our carbon footprint

Optimization in the consumption of natural resources and investments in preservation minimize the environmental footprint of the business

### Inclusive and motivating work environment strengthens pride in belonging and employee development

Social investment focused on education promotes new opportunities and transformation in people's lives



### Strategy

Our Big Dream and Our Values  
Distance to average

*Learn more on page 31*



### Certifications

Integrated Management System

*Learn more on page 31*

## Value generation



### Natural capital

108 thousand hectares of preserved areas



### Manufactured capital

39 machines with technology to reduce fuel consumption acquired in the year with Agribusiness Receivables Certificates (CRA) resources



### Human capital

GPTW acknowledgment and people management awards  
51 hours of training, on average, per employee



### Social and relationship capital

Since 2019, R\$15 million invested in social projects, reaching 60 thousand people, in 80 locations



### Financial capital (in R\$ thousand)

R\$ 7,373,034 in net revenue  
R\$1,336,733 in net profit



### Intellectual capital

4<sup>th</sup> edition of AgroX (startup connection program)



# Governance and risk management

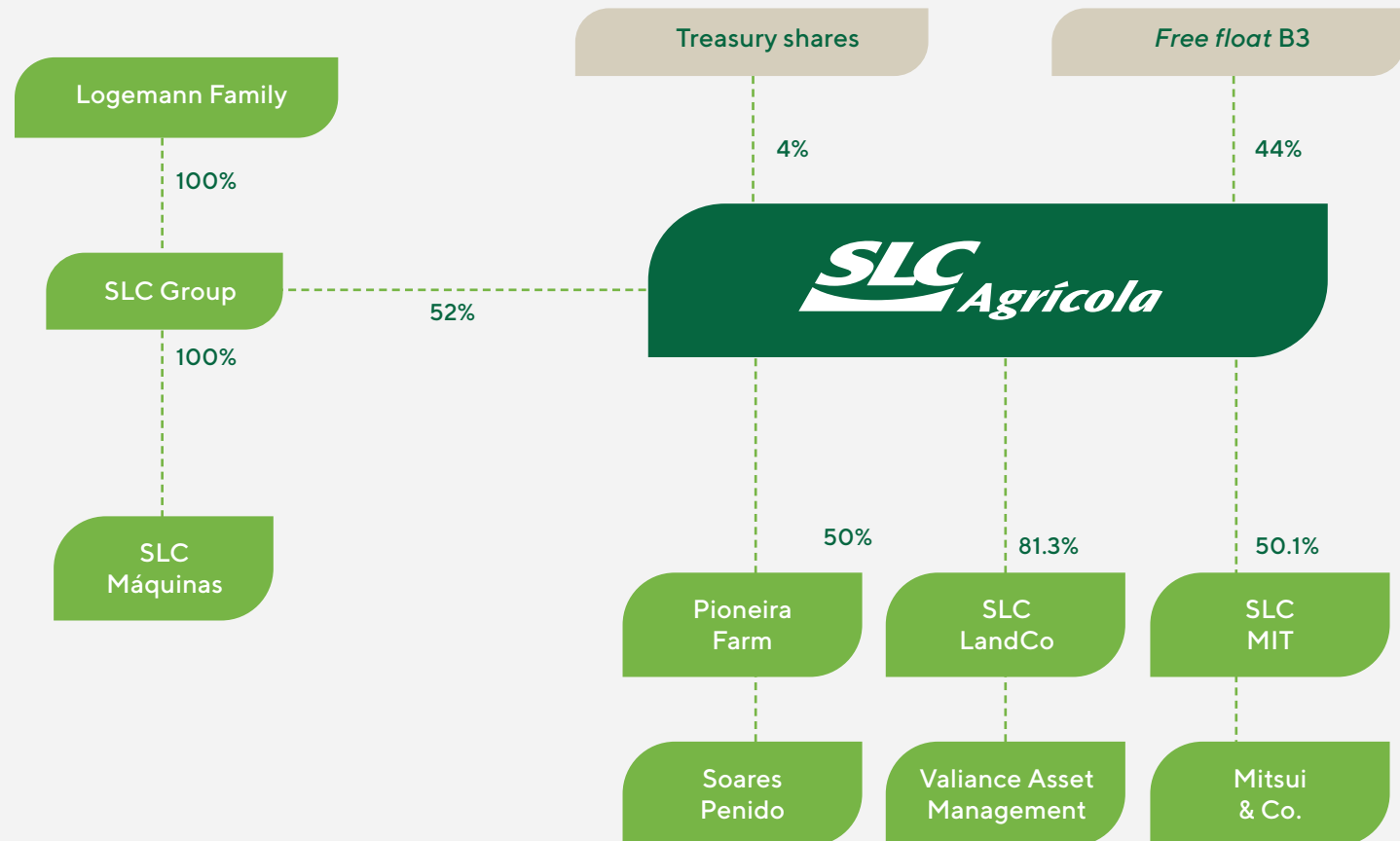
## GRI 2-1, 2-9

Reflecting our pioneering spirit, SLC Agrícola was one of the first companies in the grain and fiber production that has had its shares listed and traded on the Brazilian stock exchange (B3). We have been a publicly traded company since 2007 and, over more than 15 years with shares listed on the stock exchange and close dialogue with investors, we have evolved in strengthening our governance and risk management structure and maturing our decision-making process, especially considering the context of the ESG agenda.

We are members of Novo Mercado, a segment of B3 that brings together companies with good corporate governance practices, and we have bodies, mechanisms and policies aimed at aligning our decisions with the expectations of our stakeholders and the company's strategic planning.

### Shareholding Control Structure \*

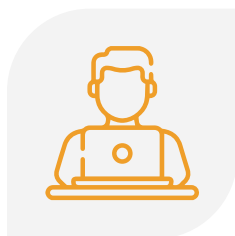
\* Position on 12/31/2022.





# Our structure

GRI 2-9, 2-10, 2-11, 2-12, 2-14, 2-16, 2-17, 2-18, 2-19



## Board of Directors\*

The instance is responsible for formulating strategic guidelines and policies directed to the conduct of business, without executive action. It is composed of six members, four of them independent, according to the best market practices. The company's directors have comprehensive training and experiences, which provide SLC Agrícola with a privileged perspective on the market and are evaluated at least once per mandate, through an individual diagnosis process, conducted by an external consultancy. In 2022, we had the entry of the first female director of the board, an important advance in promoting diversity and inclusion in senior leadership.

The Board actively participates in the preparation of strategic planning. The construction of the strategic map begins annually with a cycle of lectures and *workshops* that improved our critical analysis of the scenario in which we operate and subsidized the identification of risks and opportunities for sustainable development of the business. These meetings were based on the PESTAL methodology, where those involved evaluate, validate and discuss

The council is comprised by one woman and five men.

the positive and negative impacts that political, economic, sociological, technological, environmental and legal changes can have on our activities. One of the focuses in 2022 was climate change.

The election of board of directors is held at a general meeting of shareholders, for unified terms of two years, subject to re-election, which shall consider the results of the periodic evaluation process of the Board. The evaluation of the board directors is made at least once during the term of office, providing the member with reflection on the fulfillment of their duties. The process is conducted by external consultants. The results are consolidated and presented to the Group, in addition to being used to generate engagement and direct the individual strategy aimed at the company. In addition, it increases transparency and *compliance* in relation to the best corporate governance practices required by the market. More details can be found on the 2022 Reference Form. The body meets every three months or at extraordinary meetings, which may be convened by any of the members.

The characterization of the nominees to the Board of Directors as independent is also resolved at the general meeting that leads to the election of members, pursuant to art. 17 of Novo Mercado Regulation. Each nominee must submit a statement to the Board of Directors attesting its independence according to the criteria established.

The Board resolves on issues applicable to this level in accordance with its bylaws, provided with information from the Risk Management Committee when it comes to economic and financial matters, and the ESG Committee if related to the environmental, social or governance fronts. There are also relevant contributions from the Statutory Audit Committee (CAE), approved by the General Meeting in 2022 and implemented in the same year. As for possible reports, they are forwarded and treated by our Reporting Channel (*read more on page 28*). Throughout the year, there were no critical issues brought to the Board of Directors.



Learn more about our governance structure. [Access here.](#)

To see the curriculum of our members, [click here.](#)

Members	Position	Date of election	End of the term of office
Eduardo Silva Logemann	Chairman	04/29/2021	04/29/2023
Jorge Luiz Silva Logemann	Vice-Chairman	04/29/2021	04/29/2023
Oswaldo Burgos Schirmer	Independent Member	04/29/2021	04/29/2023
André Souto Maior Pessôa	Independent Member	04/29/2021	04/29/2023
Fernando de Castro Reinach	Independent Member	04/29/2021	04/29/2023
Adriana Waltrick dos Santos	Independent Member	04/29/2022	04/29/2023

\* The positions of Chairman of the Board of Directors and Chief Executive Officer are held by different people, with no accumulation.



## Board of Executive Officers GRI 2-19

The board is focused on the internal organization of the company, the decision-making process, daily operations and implementation of general policies and guidelines made by the Board of Directors. In addition, the executive officers are the legal representatives of SLC Agrícola. The Chairman of the Board assesses the performance of the Chief Executive Officer annually, who, in turn, is responsible for evaluating the performance of the other officers of the company, looking at organizational, strategic and functional competencies and formally reporting the evaluations to the Board of Directors.

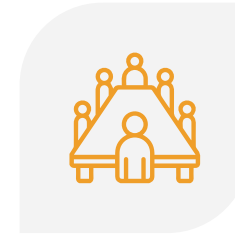
Our Board of Executive Officers is composed of six members, elected at a Board meeting for two-year terms, also subject to re-election. Meetings shall be convened by the Chief Executive Officer or a majority of the members.

The total fixed and variable annual compensation of the statutory officers is defined by the company's Board of Directors, based on a market analysis. In the fixed compensation, 13 installments and the payment of FGTS are expected. Direct variable compensation is a reflection of the achievement of goals, 70% of which are corporate and 30% individual, validated by the Board and composed of economic and socio-environmental indicators.



Details about our Board of Executive Officers can be found [here](#).

Statutory officers	Position	Date of election	End of the term of office
Aurélio Pavinato	Chief Executive Officer	12/05/2021	15/05/2023
Ivo Marcon Brum	Chief Financial and IR Officer	12/05/2021	15/05/2023
Aldo Roberto Tisott	Chief Sales and New Business Officer	12/05/2021	15/05/2023
Gustavo Lunardi	Chief Supply and Seed Production Officer	12/05/2021	15/05/2023
Non-statutory officers			
Leonardo Matteus de Celini	Chief Operation Officer		
Alvaro Luiz Dilli Gonçalves	Chief HR, Sustainability and IT Officer		



## Fiscal Council

Regardless of management and external auditors, the Fiscal Council is responsible for supervising the activities of management, analyzing the company's financial statements and communicating any information to shareholders. Our Bylaws ([access here](#)) provide that the body is not permanent and is elected solely by the shareholders of the company in general meeting, in accordance with the Brazilian Corporate Law.

Members	Position	Date of election	End of the term of office
Edirceu Rossi Werneck	Member of the Fiscal Council (Elected by the Controller)	04/29/2022	Next annual meeting *
Paulo Roberto Kruse	Member of the Fiscal Council (Elected by the Controller)	04/29/2022	Next annual meeting
Maurício Rocha Alves de Carvalho	Member of the Fiscal Council	04/29/2022	Next annual meeting

\* Annual General Meeting.



## Advisory committees\*

**ESG Committee:** Created to provide advice and instruction to the Board of Directors on all aspects related to environmental, social and governance issues, making recommendations and with the objective of monitoring the implementation of policies, strategies, investments and actions that relate to the company's ESG management. It is comprised by five members: Mr. Jorge Luiz Silva Logemann, Vice-Chairman of the Board of Directors; Mr. André Souto Maior Pessôa, Independent Member; Mr. Fernando de Castro Reinach, Independent Member; Mr. Aurélio Pavinato, Chief Executive Officer; and Mr. Álvaro Luiz Dilli Gonçalves, Chief HR, Sustainability and IT Officer. This Committee was created by the Board of Directors at a meeting held on November 6, 2020. Meetings are held on a bimonthly basis.

**Risk Management Executive Committee:** Created to manage the market Risk Management policy, within operational margin control. It is comprised by two members: Mr. Aurélio Pavinato, Chief Executive Officer; and Mr. Ivo Marcon Brum, Chief Financial and Investor Relations Officer. This Committee was created by the Board of Directors at a meeting held on July 30, 2008, with the election of a new member on May 12, 2010 and December 10, 2012.

**Statutory Audit Committee (CAE):** The CAE was established with the Extraordinary General Meeting of April 29, 2022. On May 11, 2022 its members were elected and it was regulated by the Board of Directors. The CAE is composed of three independent members: Mr. Osvaldo Burgos Schirmer; Mr. João Carlos Sfreddo; and Mr. Wladimir Omiechuk. The Committee is a permanent advisory body linked to the Board of Directors and it shall, among its duties, evaluate quarterly information, monitor the activities of the company's internal audit and internal control area, evaluate and monitor risk exposures, in addition to monitor *compliance* activities, among others.

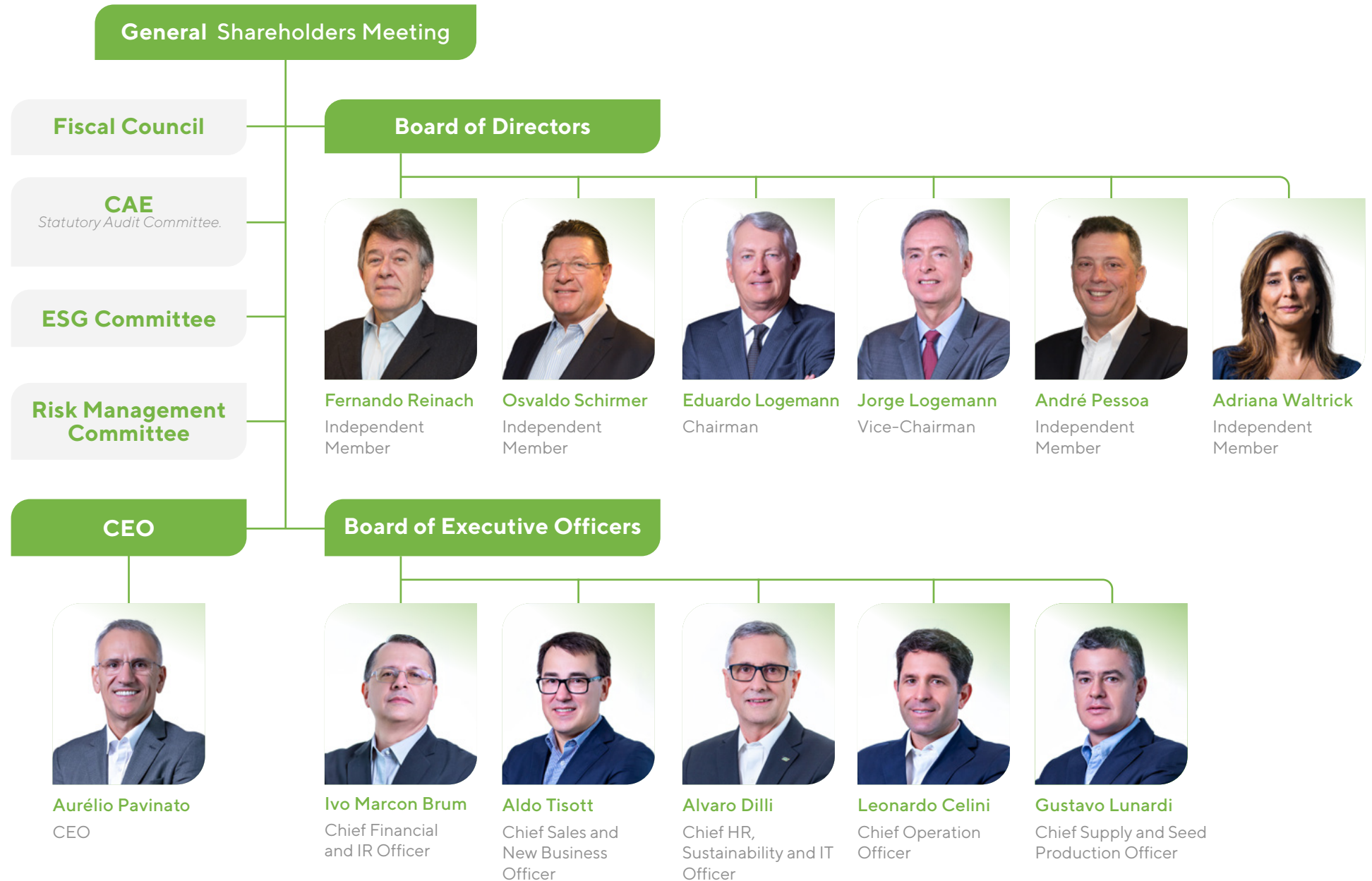
**Management Committee of the Company's Stock Option and Restricted Stock Plan:** It shall manage and administer the Company's Stock Option Plan and Restricted Stock Plan, subject to the basic terms and conditions of the Option Plan and the guidelines established by the Company's Board of Directors. It was established on May 23, 2007, through a meeting of the Board of Directors. It consists of three members: Mr. Eduardo Logemann, Mr. Jorge Logemann and Mr. Aurélio Pavinato, Chief Executive Officer.

## Company Information Disclosure Policy

**Committee:** The Committee was installed on July 25, 2007, with election of new members on May 12, 2010, December 10, 2012 and May 11, 2022. The purpose of this committee is to ensure the wide dissemination and quality of information made available to the market, as well as the practice of disclosure processes and controls. It is currently comprised by five members: Mr. Eduardo Silva Logemann, Chairman of the Board of Directors; Mr. Jorge Luiz Silva Logemann, Vice-Chairman of the Board of Directors; Mr. Aurélio Pavinato, Chief Executive Officer; Mr. Ivo Marcon Brum, Chief Financial and Investor Relations Officer; and by Mr. Rodrigo Machado Gelain, Financial and Investor Relations Manager.

\* The procedure for appointing candidates to committees may be done by any member of the Board of Directors. The nomination, appointment and re-election of candidates from the Board of Executive Officers is the responsibility of the Chief Executive Officer.





Our senior leadership relies on the advice of committees focused on key topics for the business and our stakeholders.



ICO2 B3

ISEB3

Great Place To Work®

## Corporate Sustainability Index – ISE B3

At SLC Agrícola, we have increasingly advanced in incorporating the ESG agenda into our business, seeking to strengthen the connection between our activities and sustainable development, based on opportunities to create shared value throughout the value chain.

In December 2022, the company became part of the B3 Corporate Sustainability Index (ISE) portfolio, an achievement that reflects this commitment and shows that we are on the right track. ISE brings together publicly traded companies with solid commitments and contributions to corporate sustainability, which serves as a compass for investors aligned with the ESG agenda.

This recognition adds to our presence in the Carbon Efficient Index (ICO2 B3) and the GPTW B3 Index (created in partnership with Great Place to Work), reinforcing the value of SLC Agrícola's internal initiatives and the efforts of our team.

## Market risk management

**GRI 2-13, 3-3: Material topic management**

To deal with risk factors on the company's radar, we rely on guidelines and procedures established in our Market Risk Management Policy. Our Risk Management Committee is responsible for monitoring the market and reports any relevant information to the Company's Board of Directors. More information on this front is available on our *website*: [ri.slcagricola.com.br/governanca-corporativa/comites-regimentos-e-politicas/](http://ri.slcagricola.com.br/governanca-corporativa/comites-regimentos-e-politicas/).

Among the factors mapped, the main ones concern the volatility of agricultural *commodity* prices in Brazil and abroad and exchange rate variations. The company developed a *hedge* strategy to act in this scenario, considering that a considerable part of the production costs and sales contracts is carried out in dollars. This mechanism allows SLC Agrícola to operate with safe margins, in accordance with the pillars of strategic planning, including the generation of value to shareholders and financial soundness.





# Ethics and compliance

**GRI 2-14, 2-23, 2-25, 2-26, 3-3: material topic management, 205-1, 205-2, 408-1, 409-1**

In all company relationships, internal or external, our conduct is guided by ethics and integrity, the latter being one of our values. Throughout our journey, we have gained a solid reputation from the structuring of initiatives, materials, documents and mechanisms aimed at the area, including our Code of Ethics and Conduct, our policies ([access here](#)) and the Reporting Channel.

In addition, we act to prevent, detect and correct any practices that do not comply with the legislation or our rules and guidelines, through the Integrity Program, whose structure is in accordance with the Anti-Corruption Law (12.846/2013) and our Anti-Corruption Policy ([access here](#)).

The operation and rules of the Integrity Program, as well as the values of the Code of Ethics and Conduct and other policies, are disclosed through training, communication campaigns and awareness-raising actions.

Our *compliance* risk matrix was revised in 2021 and another review is underway, with completion

expected for 2023. The factors directly associated with the fight against corruption involve mechanisms to respond to infractions; relationship with suppliers, the approval process (*read more on page 60*) and the identification of critical partners; financial transactions; relations with public agencies; undue advantages; and events related to bids and compliance with antitrust laws.

Since 2021, we have been signatories to the Business Pact for Integrity and Against Corruption and, in dialogues with employees and other stakeholders, we address aspects of Brazilian anti-corruption legislation. We are committed to maintaining high levels of transparency and acting effectively in the management of ethics in the company, which brings together mechanisms and prevention initiatives, such as guidance and training.

In 2022, SLC Agrícola joined Ethos Institute, joining the Integrity Working Group. In addition, we carry out communications and training in anti-corruption policies and procedures. In 2022, 100% of employees



were notified, which includes our six officers, and 78.48% of the team completed the e-learning of the Code of Ethics and Conduct.

Regarding human rights, it is also worth mentioning that our Code of Ethics and Conduct reinforces that the company does not admit any form of exploitation of child labor or labor analogous to slavery in its facilities and operations, as well as in the supply chain. There were no records of such occurrences in 2022.

**Learn about our Policies [here](#).**



**See our indicators related to communications and training aimed at combating corruption in the Annex.**



## Reporting Channel

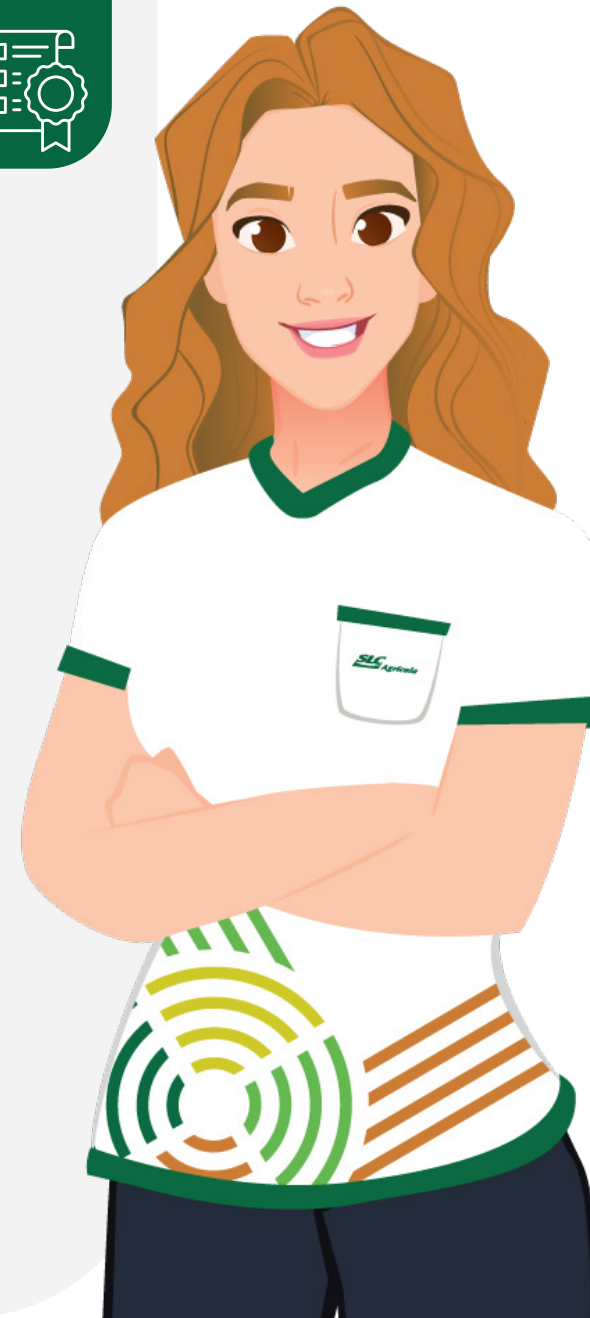
Our Channel, managed by the company Contato Seguro, is open to all audiences, including employees, customers and suppliers, so that they can make complaints, criticisms, compliments or forward questions. The Channel is available 24/7, and can be accessed by phone (0800 648 6306), by internet ([www.contatoseguro.com.br/pt/slcagricola/](http://www.contatoseguro.com.br/pt/slcagricola/)), by the app on the *tablet* and on the mobile. Anonymity, if desired by the whistleblowers, is guaranteed by the platform and the company ensures confidentiality and non-retaliation.

After this registration, the Loss Prevention Committee assessed and investigate the complaints, criticisms or suggestions reported. The Committee evaluates communications and directs them to investigations and/or actions that may be necessary, and may contact and exchange information with whistleblowers through the Channel, without prejudice to secrecy, anonymity and confidentiality. At the end of the investigation or action taken,

whistleblowers receive a response from the Committee on the platform.

In 2022, we received 211 reports on the Channel, 193 being classified as complaints, 13 as suggestions and five as doubts. The investigations concluded that 28% of the reports were founded; 9% partially founded; 18% inconclusive; and 34% unfounded. The others were criticisms, suggestions and reports inadequate to the channel.

Although there is no stakeholder involvement in the preparation, review, operation, and improvement of the tool, our audiences can register suggestions and doubts. The Company discloses information about the Channel and Consequence Management in the Annual Compliance Report ([www.slcagricola.com.br/integridade/](http://www.slcagricola.com.br/integridade/)).



### Hello, how are you?

My name is FLORA and I am present in the actions of SLC Agrícola Integrity Program campaign. My role is to help remembering to maintain attitudes that are aligned with company principles. Count on me!



# Ethics management

## Guidance

- Code of Ethics and Conduct
- Anti-Corruption Policy

## Action

### Reporting Channel

Receiving reports of corruption, fraud and unethical behavior, with confidentiality and non-retaliation ensured.

- 0800 648 6306
- [Reporting Channel \(www.contatoseguro.com.br/pt/slcagricola/\)](http://www.contatoseguro.com.br/pt/slcagricola/)
- Contato Seguro App

## Loss Prevention Committee

Internal investigation of reports received, recommendation of corrective actions or punishments and feedback to whistleblowers, in line with the Investigations and Disciplinary Measures Policy. Quarterly reports are made to the Statutory Audit Committee.

## Training and Communication

- Communication and dissemination of the Code of Ethics and Conduct;
- *Email*, corporate WhatsApp, unit walls;
- Mandatory training, available on a virtual platform;
- Dialogues with teams on ethical principles and values.

## Prevention

### Compliance risk matrix

- Mapping out *compliance* risks, including corruption or fraud in internal operations and in the value chain;
- Six risks to corruption or fraud, identified in 2021. Review is expected to be completed by 2023;
- 100% of the operations covered by the risk analysis.

### Third-party risk management

- 28 suppliers not approved due to risk criteria that indicate non-continuity of the relationship;
- 100% of new suppliers evaluated according to 40 criteria, including ESG aspects.





## Public commitment to integrity

In 2021, SLC Agrícola adhered to the Business Pact for Integrity and Against Corruption, committing to disclose Brazilian anti-corruption legislation to its employees and stakeholders, so that it is fully complied with. In addition, also within the scope of the Pact, the company committed to prohibit any form of bribery, work for legality and transparency in contributions to political campaigns and strive for transparency of information and collaboration in investigations, when necessary.



And, in 2022, SLC Agrícola became a signatory of Ethos Institute, joining the Integrity Working Group, a space for exchanging experiences between companies for discussions on integrity involving corporate practices and public policies.



## Conflict of interest **GRI 2-15**

The company's bylaws provide, in article 20, paragraph 6, that members of the Board of Directors may not have access to information or participate in meetings of the body related to matters on which they have or represent an interest conflicting with those of SLC Agrícola.

Our Related Party Transactions and Conflict of Interest Management Policy ([see here](#)) guides the behavior of the Company's managers, including the members of the Board of Directors and the Board of Executive Officers (statutory and non-statutory), in order to ensure that all transactions are carried out pursuant to the Company's interests; under strictly commutative conditions or with adequate compensatory payment; and in a transparent manner to shareholders and the market in general. To date, we have not recorded any events that would cause a conflict of interest.



# Strategy and sustainable growth



# Strategy and sustainable growth GRI 13.3.6

Since the founding of the company, our evolution has been carried out in waves of growth, whose directions and pillars suit the market scenario, the opportunities that are projected and the demands of society. Starting in 2015, we began the third phase of our strategic planning, which focuses predominantly on asset-light growth; efficiency and distance from the average; financial strength; and ESG stewardship.

Throughout 2022, we focused on consolidating operations, after one year of these expansion movements, seeking to maintain our high standards of efficiency, yield and quality.



In line with the predominantly *asset light* expansion pillar, in 2021 we signed a lease agreement with Agrícola Xingu S.A., involving production in already developed areas, which together total about 39 thousand hectares, present in the municipalities of Unaí (MG), São Desidério and Correntina (BA).

In addition, we have combined business with Terra Santa, incorporating five farms in the state of Mato Grosso, which total an area, also already developed, with a potential of 145 thousand hectares. The new units, located in the same region as the company's other farms, increased our planted area by 45%.

## EVOLUTION OF OUR STRATEGY







## Zero deforestation



At SLC Agrícola, since August 31, 2021, we no longer expand our agricultural operations from the transformation of areas with native vegetation, even if there are legal conditions for conversion. We formalized this stance with our Zero Deforestation Policy, applicable in our own areas, acquisitions, leases and joint ventures, including for processes involving third parties.

Our yield and efficiency standards, combined with the predominantly asset-light growth *model*, allow the company to evaluate opportunities for growth and operational expansion without converting new areas with native vegetation. In fact, this commitment, considering the Amazon biome, was already adopted internally since 2008, taking into account the Soy Moratorium.

The only exception provided for in the Zero Deforestation Policy is the suppression of isolated fragments of vegetation, when strictly necessary, in situations such as road maintenance, electricity networks, firebreaks for firefighting in areas of native vegetation and hydraulic structures for surface water abstraction.



## Strategic sustainability map

Our recent achievements of awards and recognition in sustainability reflect the company's constant advancement in the synergy between business vision and the promotion of positive socio-environmental impacts, based on a decision-making process based on best corporate governance practices.

To keep our leading position in the ESG agenda, a pillar of the company's strategic planning, we act pursuant to five goals:

- Certification of farms;
- Zero carbon in net emissions in scopes 1 and 2 by 2030;
- Safe environment for all;
- Education in local communities, agro and environment;
- Education and schooling incentives for our employees.



# Participation in the Global Compact

We are members of the Brazilian Network's Food and Agriculture Working Group of the United Nations (UN) Global Compact since 2015. In this space, we discuss ideas and projects aimed at ending hunger, achieving food security, improving nutrition and promoting sustainable agriculture in the country.

In addition, SLC Agrícola is committed to supporting proposed strategic actions to promote the Business Principles for Food and Agriculture (EAEP) and the Sustainable Development Goals (SDGs), which are part of the UN 2030 Agenda. We act with special attention to the following goals:

**We act to promote the SDGs and the 2030 Agenda with strategic actions.**



\*The Food and Agriculture Business Principles as Guidelines for the Sustainable Development Goals



**Pacto Global**  
Rede Brasil

**AÇÃO**  
**PELO AGRO**  
**SUSTENTÁVEL**





# Sustainable **financing**

## *Sustainability-Linked Loan*

At SLC Agrícola, we believe that business must be conducted in line with the promotion of the sustainable development agenda, with positive impacts on the environment and the communities where we operate.

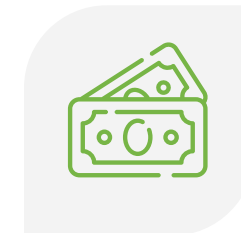
This position is also present in our financial fundraising strategy. Since 2020, the company has made commitments linked to sustainability criteria in sustainable financing, which allow investments and initiatives aimed at key areas of our operations, such as certifications, water consumption and greenhouse gas emissions.

Among the operations, the raising of R\$100 million in a bilateral sustainability-linked loan with Banco Santander in 2021, stands out. With this contribution of funds, we are committed to expanding the Integrated Management System (IMS) in ISO 14001 standards, in the area of environmental management, ISO 45001, focused on occupational health and safety and NBR 16001, related to social responsibility. In 2022, we have certified two more and are expected to certify four more by the end of 2023.

In another operation of this nature, in 2021, we raised R\$200 million with Rabobank, linked to sustainability performance indicators. Our actions on this front were related to health and safety, water consumption and GHG emissions. We have already reached the target linked to the accident frequency rate: we ended the 2021 cycle with 1.90, and the 2022 cycle with 2.85. In recent years, the company was reaching a historic milestone of fewer accidents, since the beginning of its operations. However, due to the new farms having indexes above our historical milestone, the 2022 average grew.

Still, during this period four units reached zero accident status in their operations, namely: Pioneira Farm, Pampeira Farm and Pirapora Farm.

In addition, we are working with actions to reduce water consumption. In 2022, we started the pilot project of Automated Management of Water Consumption and Effluent Generation, which aims to monitor in real time the water consumption of the farm, as well as the generation of industrial effluents and sewage.



We have raised R\$ 300 million, since 2020, in sustainability-linked loans operations, boosting sustainability actions.



## Operation KPIs with Rabobank goals committed and expected by 2023

### 7% reduction of GHG emissions by 2023 (base year 2019: 0.29 tCO<sub>2</sub>e/tonne produced)

	2021	2022	2023
<b>Target</b>	0.28	0.27	0.26

### 0.75% increase in water reuse index (base year 2019: 0.53%)

	2021	2022	2023
<b>Target</b>	0.65	0.70	0.75

### Reduction of the frequency rate of accidents with leave among employees to a ceiling of 1.97 (base year 2018/2019 harvest: 3.35)

	2021	2022	2023
<b>Target</b>	2.30	2.08	1.90

## Agribusiness Receivables Certificates (CRA)

Another relevant operation for the company was the funding of R\$480 million in the issuance of green bonds, in Agribusiness Receivables Certificates (CRA), carried out in 2020. These funds aim to invest in the Digital Agriculture, Low Carbon and Soil Conservation and Green Fertilization programs.

In December 2022, however, we settled the bond and made the advance payment to investors. This movement was a reflection of the company's indebtedness strategy, which, due to *covenants* it had in the CRA, restricted the company's growth opportunities. Our commitments on the CRA fronts remain and we will continue to monitor the indicators of the projects involved in the title until 2025, always communicating our *performance* in these areas.

In 2021, the reduction in fuel consumption was reported based on theoretical estimates through calculations, as we did not yet have the telemetry tool on our own machines, which allows the transmission of information in real time and a standardization in configurations in RPM and speed, which interfere with fuel consumption. The installation of telemetry began in the 20/21

harvest and consolidated in the 21/22 harvest. In addition, the acquisition of new and more modern machines enabled access to more detailed information, which generated the need to evaluate fuel consumption scenarios and consequently to report the years 2021 and 2022 with different methodologies.

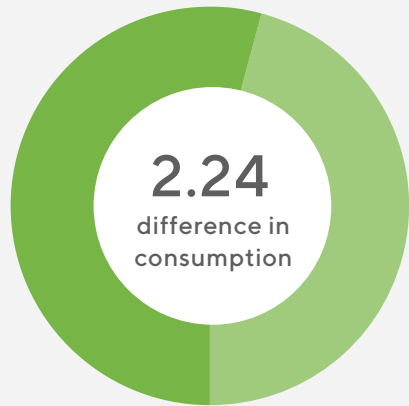
The theoretical calculation, carried out to quantify fuel consumption, reported in 2021, was limited to considering few variables, such as: nominal power, power factor, engine consumption (liters/CV.h) and estimated operating yield (considering constant speed and equipment width). With the insertion of the new telemetry tool, established in fact in 2022, it became possible to collect other variables. When comparing both fuel consumption, theoretical *versus* measured (from telemetry), differences were found. The acquisition of more modern machines allowed the renewal of the fleet to continue. In addition, reducing the amount of machinery caused consumption per hectare to decrease.

The following graphs and tables allow us to verify how the optimization of processes and equipment directly influences fuel consumption, generating savings in consumption.



### Fuel consumption of G JD S790 Grain Combine Harvester in 2022

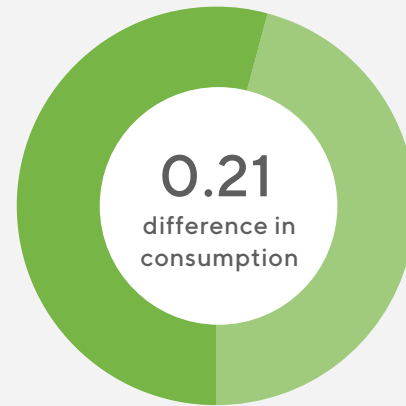
l/ha



13.40 before optimizations

11.16 after optimizations

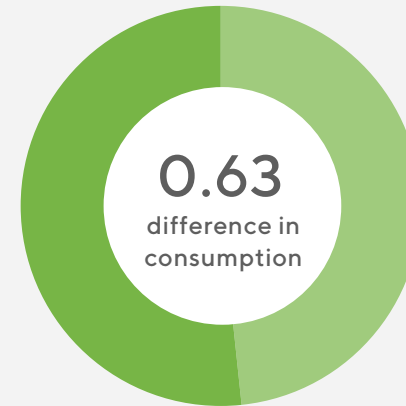
### Fuel consumption of M4040 Sprayers in 2022 l/ha



0.79 before optimizations

0.58 after optimizations

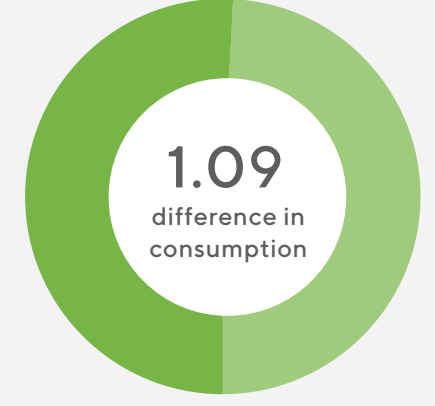
### Fuel consumption of 9640R Tractor in 2022 l/ha



9.12 before optimizations

8.49 after optimizations

### Fuel consumption of CP690 Cotton Combine Harvester Fuel in 2022 l/ha



27.94 before optimizations

26.85 after optimizations



## Tractors and Planters

Year	Planned units	Purchased units
2021	6	6
2022	14	12
2023	14	-
2024	15	-

## Cotton Combine Harvesters

Year	Planned units (n°)	Purchased units
2021	-	1
2022	3	-
2023	11	-
2024	4	-

## Localized spraying equipment

Year	Planned units (n°)	Purchased units
2021	3	3
2022	16	2
2023	9	-
2024	12	-

## Sprayers

Year	Planned units (n°)	Purchased units (n°)
2021	5	5
2022	19	16
2023	8	-
2024	13	-

## Grain Harvester

Year	Planned units (n°)	Purchased units (n°)
2021	-	-
2022	10	9
2023	-	-
2024	14	-

## Soil conservation and green manure Soil cover with millet, crotalaria and brachiaria, among others

Year	Expected Area	Effective area (ha)	Reduction of emissions (tCO <sub>2</sub> )*
2021	202,130	116,575	213,915
2022	202,130	173,125	317,684
2023	202,130	-	-
2024	202,130	-	-

\* calculated from the reduction factor of 1.835 tons biogenic CO<sub>2</sub>/ha.

\*\*Source: GHG Protocol - Agriculture - Brasilv3. 10 2020 - Table 14. Fertilization.



**R\$54 million**  
invested in the  
acquisition of new  
machinery.



# Advances in innovation and technology

GRI 3-3: Innovation and productivity

To foster yield and efficiency in our operations, we invest and develop technological tools and innovative initiatives related to the use of resources, including energy, water, fertilizers and crop protection.

A significant milestone in the company's journey occurred in 2015, when we began the third phase of strategic planning, which emphasizes the role of technology in achieving our ambitions and objectives. From that year, we structured our digital transformation cycle and have been working towards transforming data into information and fostering continuous improvement in our processes.

Within the company, precision agriculture has advanced more and more, with the application of techniques and inputs with strategic direction, only where necessary, avoiding waste and reducing environmental impacts inherent to the agricultural routine. We identified the soil spots that should receive some type of operation through sample collections and georeferencing. In 2022, we started monitoring 49 agricultural management

indicators. This is a relevant advance in monitoring information related to aspects such as rainfall volume, yield and soil fertility.

Throughout the year, we have advanced in the selective application of herbicides. The use of sensors allows to reduce up to 80% of the volume of product released in the crops. In 2022, we used the technology on 160 thousand hectares – 40 thousand hectares more than the area registered in the previous year. This considerable reduction not only contributes to mitigate our impacts on the environment, but also, along with other digital agriculture technologies, represents a savings of R\$39 million.

We continue acting to reduce the use of crop protection through the use of technologies and the adoption of precision farming practices. In 2022, we reached a 5.9% reduction, above the 3.8% of the previous year and, by 2023, our goal is to reduce use by 8%.

It is also worth highlighting our technological advances in data and process governance and in the integration of our digital platforms. In 2022, we consolidated the new company management software (ERP), with the adoption of SAP.

At SLC Agrícola, technological solutions contribute to generating yield and efficiency, as well as mitigating negative impacts.





# Highlights in technology



## Digital farming and precision agriculture

**27** Platforms

or digital agriculture solutions in farm management;

**100%** of farms

with 4G connection;

**20%** for reduction

reduction in the use of water for irrigation;



**Implementation of new technologies**, such as Delivery Machine, Tracker Traceability and Tracker Smart, among others.



## Main initiatives

**Crop planning:** in search of maximum yield per hectare planted, we developed action plans from banks with historical series of climate data, yield, and other agronomic data, as well as satellite images and monitoring of soil physical and chemical conditions. In this planning, we consider the precise application of inputs and fertilizers in the soil and the control of pests and diseases in the crop;

**Productivity maps:** this tool makes it possible to identify any actions necessary to increase the yield of areas with low results, in addition to pointing out the crops that have greater production variability. The correction of soil fertility is also worked out, by measuring the variable rate of application of potassium, limestone and phosphorus;

**Fertility maps:** using satellite signals, these maps guide our machines in the application of nutrients, identifying the soil needs of each area and avoiding waste.



**We use innovative tools to apply only the necessary amount of inputs and other resources to the crops.**





## Driving innovative proposals

The fostering of innovative ideas and projects prioritizes solutions that bring more efficiency, enable business expansion and contribute to the ESG agenda. The company's Internal Innovation Committee, created in 2016 and renewed in 2022, is comprised by five people and responsible for incorporating this front into the decision-making process of SLC Agrícola.

In 2022, we conducted 12 proofs of concept with new technologies, which can be implemented in the coming years. We also developed four data science projects that use *machine learning* to identify quality and yield trends in crops and created Innovation Day, an event to communicate and engage our team around innovation proposals.



We value our connections with startups and see in these relationships many opportunities to build proposals capable of overcoming challenges in the agribusiness sector and promoting innovative advances in ESG *performance*.

AgroX is our program for connecting with *startups* and, in 2022, we held its fourth edition. The initiative consists of three selection cycles, known as *batches*. In the first two, we work with national *startups* and, in the third, we open opportunities for organizations from abroad. The entire process is conducted in line with the *open innovation* methodology.



Our team could not be left out of discussions of innovative proposals. We encourage the circulation of creative ideas and the design of proposals within the company through the Ideas & Results Program. This initiative allows our employees to send suggestions and projects aimed at overcoming obstacles and operational improvements.



Our national reference position in the industry enables the company to support businesses and make impacting investments in organizations with innovative assumptions. At SLC Ventures, we operate in two segments: Corporate Venture Capital and Venture Builder. In 2022, the Venture Builder front debuted the startup boosting program, which comprises the selection, acceleration and mentoring stages for the selected companies. In the same year, we also invested in Pink Farms, a leader in the vertical farm market in the country.





# Certifications and quality

GRI 3-3: material topic management, GRI 13.23.2, 13.23.3

We have reached a benchmark in the market by achieving parameters of excellence in our products. Our deliveries to the company's customers are always carried out in line with the best market practices, relying on tools and initiatives that aim to guarantee high levels of quality.

Our ESG management consists of four pillars: project management; environment; health and safety; and quality. Our Integrated Management System (IMS), responsible for standardizing policies and processes in the management of ESG aspects, has ISO 14001, ISO 45001 and NBR 16001 certifications in 13 units – considering our headquarters and 12 farms (two of these have ISO 45001 and NBR 16001 certifications). In addition, we have ISO 9001 certification in seven units, with the scope of storage and processing of grains and cotton, classification of cotton at Pamplona farm and specific processes in the headquarters.

Our team and the company's leadership play an essential role in expanding the coverage of certifications in our units. This is done through internal audits, from which action plans are developed aimed at identified improvement opportunities. Our goal is to reach 100% of the units certified in SGI, considering ISO 14001, ISO 45001 and NBR 16001, by 2026.

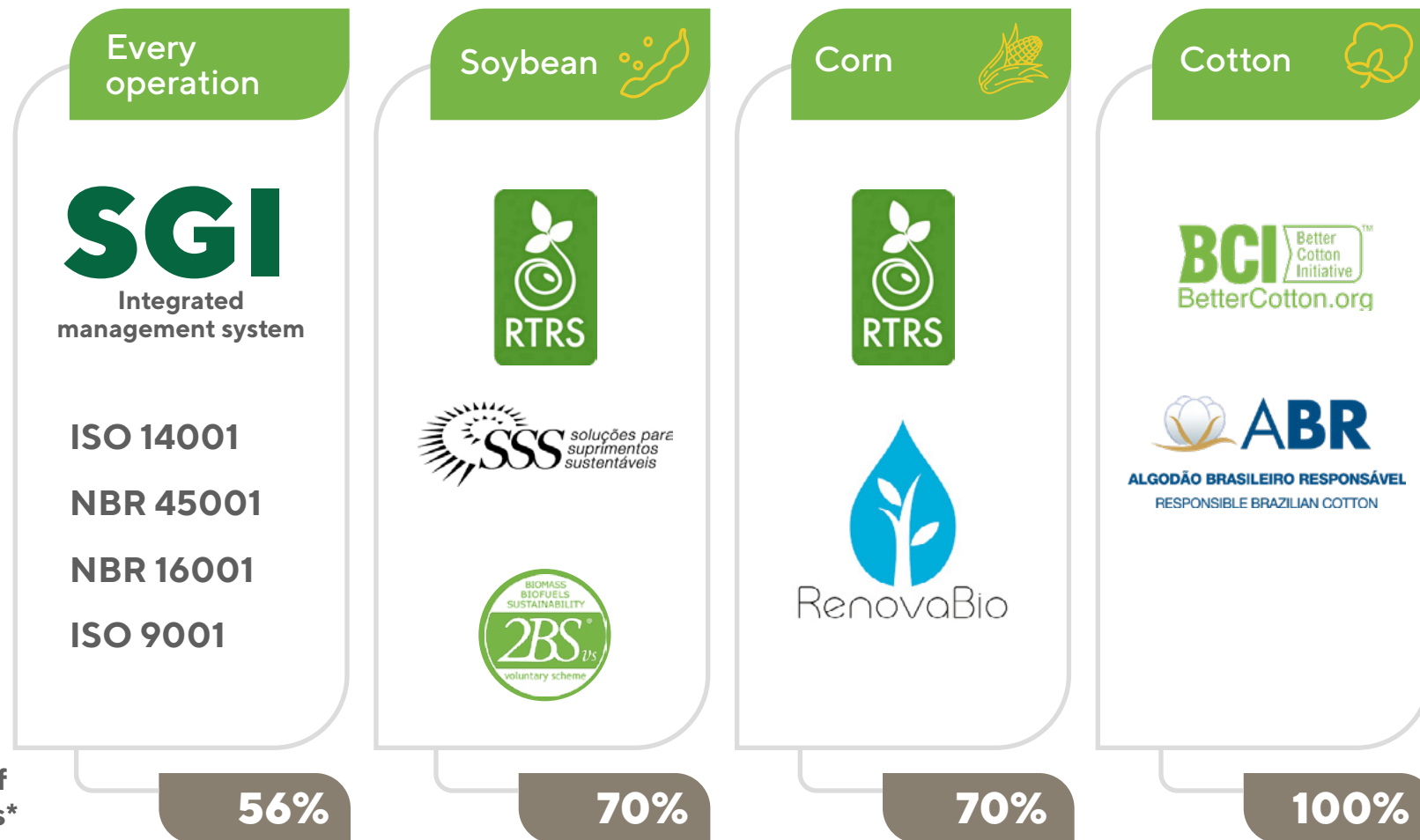
Our products also have reference certifications. The cotton we produce in our crops has the Brazilian Cotton Responsible (ABR) and Better Cotton Initiative (BCI) certifications. Our soybean has Round Table On Responsible Soy (RTRS Certified Soy), Solutions for Sustainable Supplies (3S) and 2BSVs certifications. The corn produced by the company is certified by RTRS, Biomass Biofuel Sustainability voluntary scheme (2BSVs) and under RenovaBio \*. In addition, we have 14 Grain Warehouses meeting the requirements for Certification of Storage Units in Natural Environment (UAAN) (MAPA I.N. No. June 29, 2011).

\* RenovaBio is a State policy that recognizes companies' strategy for energy security, market predictability and mitigation of greenhouse gas emissions in the fuel sector.





# Sustainability Certifications



Percentage of certified units\*

\* The denominator considers those subject to certification

## Management of genetically modified organisms (GMOs)

SASB: FB-AG-430b.1

Seeking more efficiency and yield, we use GMOs with soybean, corn and cotton varieties, which have more resistance to pests and infestations, mitigating the use of crop protection and chemicals and reducing water consumption – which causes a positive impact on the environment.

All customers who purchase soybeans and corn grown this way are informed and authorize the use of GMOs in draft commercial contracts. This distinction is not made in businesses involving cotton, given that the product is marketed in unlabelled bales.

See the certifications' details in the Annex.



# Our team



# Personnel management

GRI 2-7, 2-30

Over the past few cycles, the company has exceeded goals, with record production and economic-financial numbers and developed impact projects. This is the result of the effort and commitment of our team, which brings together trained and engaged professionals on our purpose.

Our people management area is always attentive to trends and good practices in the market. We offer our employees structured initiatives for development and training, performance evaluation, talent management, promotion of diversity and inclusion and health and well-being, among other fronts.

We ended 2022 with 5,220 employees, 4,632 being men and 588 women – 100% are covered by collective bargaining agreements, except interns and directors. Our performance in the management of the team continues with levels of excellence: for the third year in a row, we were one of the best agribusiness companies to work in the country, according to Great Place to Work Brazil.

## Recognition and appreciation of people in 2022



- **Best Companies to Work For** – Great Place to Work Brazil: SLC Agrícola was recognized as one of the 150 Best Companies to Work For in Brazil, ranking 48th among large companies. In the Agribusiness category, we were recognized among the best companies for the third consecutive year;
- **Amazing Places to Work** – FIA Uol: We were awarded for the third time, in the category of large companies;
- **Top Human Being 2022:** recognition by the case “Women's Leadership in SLC Agrícola: The importance of women in agribusiness management positions”.



### SEE IN DETAIL

Our indicators related to the People Management area are available in the Annex.



## Compensation and benefits **GRI 401-2**

We conduct market research periodically and our employees receive salaries with competitive values – in accordance with the wage floors defined in collective agreements. We also offer attractive benefits for fixed and full-time employees, highlighting the following:

**At SLC Agrícola, salaries are determined from market research, subject to wage floors.**

Benefits	Employees	Temporary workers	Trainees	Leadership
Profit-Sharing Program;	X			X
Share purchase plan;				X
Transportation voucher/chartered transport;	X	X	X	X
Food voucher/meal voucher/cafeteria;	X	X	X	X
Medical and dental assistance;	X			X
Life Insurance;	X	X	X	X
Education assistance and agreements with universities and educational institutions;	X			X
Extended maternity and paternity leave;	X	X		X
Houses/accommodation on farms;	X	X		
Remote/hybrid work model, according to individual agreements.	X		X	X

### Variation between the lowest wage and the minimum wage, by gender

#### GRI 202-1

Operating unit <sup>1</sup>	2022	
	Men	Women
Lowest salary paid by the organization	1,348.87	1,348.87
Minimum wage determined by legislation or union	1,326,00	1,326,00
Relationship between the lowest salary paid by the organization and the applicable minimum wage (%)	101.7%	101.7%



## Development and training **GRI 3-3: People development, 404-2**

In 2022, we implemented a new model for managing the company's education ecosystem, focusing on future leaders: interns, *trainees* and the Potential Program; and current leaders: directors, managers and coordinators. One of the points addressed was sustainability, with two modules that had the participation of 100% of the officers and managers to discuss the ESG pillars of SLC Agrícola and define action plans to evolve on this front. In the year, our average employee training was 51 hours, exceeding the target set for the period.

For future leaders, we had the Trainee Program, with personal development, leadership and business modules, as well as mentoring with senior managers and the presentation of the final project "Make it happen". In 2022, 31% of *trainees* were promoted to leadership positions.

Another relevant project of the company is the Inclusive Education Program, which focuses our efforts towards the training of employees. We work focusing on the digitization and modernization of agribusiness through educational and inclusion

tools and initiatives and digital agriculture; aid-education; corporate education; leadership training; and technical improvement.

In the company's integration process, 100% of new employees were integrated throughout the year, and we added 84% in the eNPS (Employee Net Promoter Score) of Integra Program. In this adaptation period, newcomers are monitored by the management for a period ranging from 45 to 90 days.



**Supporting the professional development of our employees is a priority in the company.**



Our training indicators can be found in the *Annex*.



# Action fronts

## GRI 3-3: Socioeconomic impacts

- **Youth and Adult Education (EJA):** Our farms have classrooms and basic materials, such as notebooks, pencils and pens, for our employees to complete Elementary and High School, through EJA, a teaching modality of the federal government aimed at completing studies by youth and adults, with their own methodology. We also offer transportation for conducting tests and leveling tests in other locations. Throughout 2022, we had 414 active students in class, face-to-face and *online*, and 176 graduates. Since 2017, more than 1,000 employees have already been impacted;
- **Digital Inclusion Spaces:** We provide computers with internet in our units and encourage our employees, with the support of the company's leadership, to use these spaces and explore distance learning options. In 2022, we took this initiative to six more units, totaling 22 farms, installing the rooms and containers adapted to receive employees – in total, 2,376 hours of use in the year;
- **Education Assistance:** We offer our team a financial incentive to develop technical and scientific knowledge. In 2022, the assistance allowed 158 professionals to advance their studies;
- **Distance Learning platform:** Our corporate education platform brings together more than 200 *online* courses, covering topics connected with the company's different areas of activity;
- **Leaders' Academy:** Focusing on process and people management, this initiative empowers company leaders as well as potential successors. Throughout the year, 55% of the leaders attended at least one Leader Academy training and 62.5% of the leadership positions were occupied by internal professionals;
- **Capacity Building for Digital Agriculture:** SLC Agrícola is a reference in Agriculture 4.0 and digitization, and these topics are worked on by the program in our farms, training the team in the operational areas;
- **Agricultural Technical Improvement School:** To improve the level of qualification and performance of our team, we foster continuing education in agricultural operations processes. In 2022, 891 employees took and completed courses in the program;
- **Institutional and Emerging Solutions:** Our team has development trails to meet the opportunities of each area.





## Career dialogues

We provide our employees with an application that allows them to schedule conversations with the company's leadership in order to address career planning and professional development. On this platform, SLC Agrícola team also has access to educational content and readings.



## Skills assessment

Every year our permanent employees are invited to participate in the performance evaluation process, with self-assessment steps and *feedback* from the leadership and the team itself. As a result, opportunities and needs for the career of each participant are identified, who can establish their development plan individually or with the support of managers. Over the course of the year, 92% of the team carried out this process.



**92% of our team participated in a skills assessment in 2022.**

### Percentage of employees receiving regular performance and career development reviews \*\* GRI 404-3

	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Board of Executive Officers	100%	0	100%	100%	0	100%	100%	0	100%
Management	100%	100%	100%	100%	100%	100%	100%	100%	100%
Coordination	94%	92%	94%	99%	99%	99%	99%	100%	99%
Administrative	92%	90%	91%	99%	99%	99%	99%	99%	99%
Operational	93%	80%	92%	99%	99%	99%	99%	99%	99%
Total	93%	87%	92%	99%	99%	99%	99%	99%	99%

\* The public was considered eligible for evaluation in the competency cycle, considering all *trainees* active in December 2022 – with the exception of some who were not yet eligible. Interns evaluate the Higher Education Institution at each termination of contract. Apprentices are not assessed.

\*\* *Trainees* follow a specific assessment cycle and all of them are participating in this cycle.



# Diversity and inclusion

## GRI 3-3: material topic management

In 2022, we continued to work focusing on diversity and inclusion, including in the company's leadership positions. We are aware of the challenges and commit to continue pushing the agenda internally to ensure that our team mirrors the diversity of our country and relies on the views and experiences of underrepresented groups.

At SLC Agrícola, we have built initiatives to engage our team around the topic, which integrates the pillars of the Leaders Academy, and to prevent any type of discrimination or disrespect. In this context, the achievement of recognition for our female leadership case in Top Human Being 2022 fills us with pride (*read more below*).

Another relevant front in this movement corresponds to the compensation practices in the company. Women and men on our team receive 100% equivalent salaries, considering administrative and operational functions.



**LEARN MORE**  
Our diversity and inclusion indicators are presented in the *Annex*.



## Semear Program

Aimed at people with disabilities (PwDs) in the company, the program supports the development of these professionals, with a look at technical skills and behavioral aspects. We consider it a priority to involve this public in the company's training initiatives, taking into account the necessary adaptations.

Within the scope of the initiative, we also structured engagement campaigns for our team, which have awareness-raising actions for leadership, courses in Brazilian Sign Language (Libras) and dissemination of video and booklet, in addition to an exclusive learning program for people with disabilities in the headquarters of SLC Agrícola.



## Women's Leadership Program

Through the Leaders Academy, we started a project in 2021 to train women on our team for executive, management and leadership positions, ranging from interns and trainees to coordinators and managers. This proposal is permanent, it is maintained until we reach the gender equity indicators to which we are committed and integrates a set of initiatives with this same purpose, ongoing since 2018 at the company - when we structured the *trainee* and internship programs for the female audience.

More than one hundred employees have already participated in the program, which was recognized by the 2022 Top Human Being award. The highlights of the case are as follows:

- 111%** more women in leadership positions from 2018 to 2022
- 150%** increase in the number of women interns between 2020 and 2021
- 67%** growth in the number of women employed after the internship, from 2020 to 2021
- 14** women present in the Women's Leadership pilot in 2021; and 20 participants in the first official module



# Health and safety

**GRI 2-23, 3-3: Material topic management, 403-1, 403-2, 403-3, 403-5, 403-6, 403-7**

Our Integrated Management System (IMS) covers 100% of employees to ensure the adoption of processes and practices of excellence in health and operational safety in the company's daily life. We have internal communication channels, including email, intranet, Corporate TV and WhatsApp, through which we disclose actions in the area of Occupational Health and Safety (OHS) that positively impact the routine of employees. The channels also serve to update the units on the activities and good practices of other farms.

At SLC Agrícola, every farm has its own OHS team, and 12 of the 22 units in which we operate, added to the headquarters, have ISO 45001 certification. This team, composed of coordinators, occupational safety technicians, nurses and occupational nursing technicians, acts as support to the leaders of our units, in order to disseminate and train people, mitigating occupational risk factors. All our units also have basic conditions of care for first aid, with adequate equipment and vehicles suitable for transfer to the nearest medical assistance, when necessary.

All employees undergo occupational examinations, and the scope of nursing care and occupational physicians corresponds to 100% of the team. Outsourced workers are instructed to seek care at the units close to OHS area, accessible to all these professionals. In 18 of our units, we offer care with the occupational nursing team and, in 100% of the places where we operate, workers have at their disposal occupational physicians responsible for the Medical Control and Occupational Health Program – PCMSO.

Health campaigns are prepared by the nursing area of the units. After routine evaluations of workers, groups of people with comorbidities, such as hypertension and diabetes, are created and preventive guidelines are carried out, as well as routine monitoring and encouragement to keep consultations and exams up to date. In addition, the occupational physician assists nursing professionals in the units with lectures for these groups.

The training in occupational health and safety offered to workers in the company encompasses

all the training required by the labor standards for the activities developed, focusing on the higher risk routines. These processes undergo constant audits.

All our preventive actions also apply to third party companies and any visitors who enter SLC Agrícola units. In our process for approval of supplier companies (*read more on page 60*), we request documents related to occupational health and safety, in order to ensure that they act in line with the OHS requirements compatible with our activities.



Occupational health and safety risks are identified by the Occupational Hazards and Risks Survey - LPRO, a document prepared to meet the requirements of ISO 45001, in which all risks and hazards in the company are surveyed. The LPRO has an urgent matrix in the preventive care of the identified and categorized risk, in addition to the mitigation schedule with administrative measures, procedures, work manuals and individual and collective protective equipment.

In all units and headquarters, we keep updated legal documents required by labor and social security legislation, which are based on the survey of existing risks in the performance of the professional activities of our employees, with the programming of protective measures, as well as the health monitoring of all employees.

For any and all events, such as accidents, incidents and critical deviations, we use a system to communicate to stakeholders and carry out investigations, using the methodology of the Ishikawa Diagram, linked to an action plan, aiming at improving the processes and the occupational health and safety management system. Risk situations are evaluated by engineers, taking into account the technical degree required.



## Numbers and percentages of workers covered by an occupational health and safety management system **GRI 403-8**

	2022		2021		2020	
	Employees	Workers <sup>1</sup>	Employees	Workers <sup>1</sup>	Employees	Workers <sup>1</sup>
Total Individuals	No. 4,029	1,185	4,135	1,501	2,819	884
Individuals covered by a system based on legal requirements and/or recognized standards/guidelines	No. 4,029	1,185	4,135	1,501	2,819	884
	% 1	1	1	1	1	1
Individuals covered by a system based on legal requirements and/or recognized standards/guidelines, which has been audited internally.	No. 4,029	1,185	1,977	706	1,847	624
	% 1	1	0.48	0.47	0.66	0.71
Individuals covered by a system based on legal requirements and/or recognized standards/guidelines, which has been audited or certified by an external party.	No. 2,522	785	1,096	385	828	328
	% 63	66	27	26	29	37



## Key initiatives GRI 403-4

### ■ Safety, Quality and Yield Committee

**(SQP):** A multidisciplinary team comprised by managers and coordinators of the company. The committee is present in 17 farms and receives suggestions for improvement sent by employees and has monthly meetings to discuss safety, quality and Yield, with analysis of indicators and trends and definition of actions for continuous improvement of the company's processes – all decisions are made by consensus. The Committee is also responsible for evaluating all employees of the units for compliance with occupational health and safety routines and procedures;

■ **Behavioral Safety Program:** Focuses on the leadership role in promoting the topic within the company, with several actions, such as behavioral observations aimed at correcting deviations that may generate accidents or incidents, as well as recognition programs for workers with good safety practices;

■ **Occupational Hazards and Risks Survey (LPRO):** Based on ISO 45001, it is an analysis

to map and prioritize risk factors in the activities developed by the company, supported by the Risk Management Program (PGRTR);

■ **Standardized Personal Protective Equipment (PPE) and Collective Protective Equipment (CPE):** in all units of SLC Agrícola, we provide, install and monitor the validity of the equipment necessary to ensure operational safety, in addition to training to guide the use;

■ **Preventive training:** To disseminate good practices on the subject throughout the company, we provide health and safety courses, which consider the needs of the different functions that integrate our operations;

■ **Consequence Policy and Golden Rules:** The document provides for a set of nine rules of conduct to avoid accidents in operations. Employees who excel in adherence to the standards and guidelines are recognized. The Policy also determines consequences and penalties that may be applied if the rules are not complied with, in line with labor legislation;

■ **Internal Commission for the Prevention of Rural Labor Accidents (CIPATRs):** Present in all the company's production units and comprised by members elected by our team. The scope of action of the committees covers employees and third parties and involves the discussion of process and infrastructure improvements, with an eye on the prevention of accidents and occupational diseases, and the dissemination of health and safety actions. Meetings are held monthly.;

■ **Internal Week for the Prevention of Rural Labor Accidents (SIPATR):** Aiming at the engagement of employees and third parties, without restriction of participation, CIPATRs organize this event, which includes lectures, training and dynamics to foster occupational safety and health;

■ **Emergency brigade:** This is a group formed by employees to act in critical situations, such as fires and evacuations, using equipment available in all units, in order to preserve all the lives and assets of the company;

■ **Monitoring and control of access to restricted spaces:** Implemented in 2022, the system consists of an interconnected *software* with electrical locks that monitor the electrical command center, confined spaces and work at height, and control the entry of employees according to their qualifications. We carried out a pilot at Fazenda Planalto and the initiative is able to be implemented in the other units.





## How we deal with accidents **GRI 403-9, SASB FB-AG-320a.1**

In the event of an accident, our system allows immediate communication to the Health and Safety teams and all stakeholders of the company. A multidisciplinary group is responsible for investigations, formed by employees with experience in the activity related to the event. In addition, 18 production units have nursing teams prepared to provide first aid support to the injured and all units have ambulance and first aid material available, as well as the mapping of the emergency units closest to the farms.

We have predefined steps to determine the factors that caused the accident, and the completion of this process occurs through the development of an action plan. Our technical teams and the leadership of the area involved are responsible for monitoring the execution of the plan and, at the end, a Learning Report is created, distributed to the occupational health and safety (OHS) team of all other production units, in order to avoid similar occurrences.

Most of the accidents in 2022 were related to falls and handling of tools and equipment, causing cuts and abrasions. Most of these occurrences were caused by lack of attention and/or haste in carrying out the activities. Even with all our efforts, in 2022 we had two fatalities: one during the displacement with a sprayer on the internal roads of the farm and another in a cleaning operation of a cotton harvesting machine. We deeply regret these occurrences; in dialogue with family members, we supported and took the necessary measures.

To prevent these situations from happening again, we conducted behavioral training and daily safety dialogues and reinforced the investigation methodologies.

### Occupational accidents\* \*\* \*\*\*

	2022	2021	2020
	Employees	Employees	Employees
Number of worked hours	14,889,049	11,057,494	10,848,961
Number of fatalities due to work-related injuries	1	0	0
Rate of fatalities resulting from work-related injuries	0.07	0	0
Number of serious work-related injuries (excludes fatalities)*	6	2	2
Work-related serious injury rate (excludes fatalities)	0.4	0.18	0.18
Number of registered occupational injuries (includes fatalities)	42	21	25
Rate of registered work-related injuries (includes fatalities)	2.82	1.90	2.30

\* SLC Agrícola does not monitor third-party hours.

\*\* In 2022, one death and four injuries were also recorded in workers who are not employed (third parties).

\*\*\* The injury rate was calculated based on 1 million hours.



# Relationships

## in the value chain





## Local communities

GRI 203-1

Contributing to the development of the communities where we operate is a strategic pillar of the company. It is essential that our operations generate positive social impacts for the surroundings, with contributions mainly on education, volunteering and donations fronts.

SLC Institute, founded in 2019, focuses many of our efforts to drive this forward (*see more here*). The organization acts in the development of people, discussing and building actions with care entities and local communities. Education as an instrument of transformation is what guides the actions of the Institute, which is also responsible for the management of Private Social Investment (ISP) of SLC Group. Since 2019, we have invested R\$15 million in social projects, reaching 60,000 people, in 80 locations.

In 2022, we invested R\$627,000 to launch Educating for Life program, aimed at teachers and school managers, with free access to participants. The scope of the project is to foster the development of children, through a technological

solution in a hybrid model, focusing on social-emotional skills and pedagogical support to education professionals and parents and guardians.

The project allowed the delivery of several materials, including more than 8,000 learning portfolios for students and lesson planning via *online* platform; and provided distance course modules for training in different topics, access to the application with more content and sharing of practices, management advice with the Municipal Departments for Education, Pedagogical monitoring, digital books for enrolled teachers and certifications.

**R\$ 627 thousand  
invested to launch  
Educating for Life  
program.**



## Impact of Educating for Life



**157**  
school managers



more than  
**8 thousand**  
students

We also invested R\$70 thousand to expand Anita Studer Municipal School, in Santa Filomena (PI), in the community of Sete Lagoas. These funds made it possible to double the built area, which previously had only one classroom for children and adolescents of different ages, as well as for classes of the Youth and Adult Education (EJA) program, in the night shift. The project, in total, benefited approximately one hundred students.



**29** municipalities  
**605** teachers

## Peripheral Agroecology Garden Project

We work with two partnerships for the development of community gardens through the Peripheral Agroecology Garden Project: one with the Center for Environmental Education (CEA); and another with the Hip Hop Culture Association Support. Over 12 months, we invested R\$324,000 to build the gardens, located at the Municipal School of Early Childhood Education Vovó Belinha, in Vila Bom Jesus, in Porto Alegre, and at the Hip Hop Culture Museum RS complex in Porto Alegre (RS).

In full activity, the gardens will produce about 400 kg of organic strawberries per planting and 600 vegetables every 40 days. To operate in these 160 m<sup>2</sup> spaces, we train and monitor the residents of the communities that will be collaborators of the gardens. "Planting to harvest has never made as much sense as today for CEA. Once again we are not just wanting to do a big project, we want to re-signify the meaning of the history and future of our community. And how lucky we are to have the SLC Institute on this journey," said CEA coordinator Henrique Medeiros.



**R\$ 324 thousand**  
invested to make the community gardens feasible, capable of producing about **400 kg** of strawberries per planting and **600** vegetables every 40 days



## The Social and Environmental Action Group in 2022

Another relevant program to foster positive social impacts, within SLC Agrícola, is the Socio-environmental Support Group (GAS), created in 2003 and comprised by volunteers. In 2022, GAS carried out several actions, such as collecting toys on Children's Day and Christmas; Bakery and Crafts workshops for income generation and community development; projects focused on the professional development of youth in situations of social vulnerability and donations of tree seedlings.

 **32** actions carried out

 **1,874** people benefited

 **280** volunteers registered

 **1,297** hours of volunteer work



## Socio-environmental diagnosis **GRI 413-1**

In order to map our impacts in Barreiras (BA) and Balsas (MA) regions, we started working with local communities in 2022, with developments in the following year. We will carry out a socio-environmental diagnosis, map and identify actors and initiatives with potential and interest in contributing to actions.

This process also involves the design of a strategic planning, with the preparation of the Theory of Change (ToM) of Private Social Investment; establishment of spaces for dialogue and participation of internal and external audiences; analysis of information and definition of initiatives for the short, medium and long term; support for implementation; and monitoring and evaluation; among other stages.

Aiming to deepen the knowledge about the reality of neighboring communities, SLC Institute started a Territorial Intelligence work, which consists in the identification of relevant actors, organizations and social groups in the territories where SLC Agrícola operates, allowing to mitigate impacts to the company's operation and guide Social Investment actions. Carried out with the support of a specialized consultancy, the work involves collecting primary data and applying in-depth interviews with local communities.



# Suppliers

GRI 2-6, 2-23, 2-25, 205-1, 408-1, 409-1

We want to generate opportunities and positive impacts along the entire value chain. The relationships we build with suppliers and partners are essential to ensure the health of our operations, overcome cyclical challenges and maintain our standards of excellence.

In SLC Agrícola, the main suppliers operate in machinery and inputs for the soil. We understand that all suppliers can pose risks and, therefore, 100% of them are evaluated. Our risk management system allows evaluating all companies based on 40 questions, which cover aspects connected with the ESG agenda,

including factors such as forced or slave-like labor. And, for the operation managed internally, we understand that there are no risks.

All new suppliers of the company also undergo reputational evaluation and, in 2022, these companies were analyzed with a focus on corruption risks, through an outsourced tool. In total, 6,004 companies were evaluated, 28 of which failed due to the identification of risk factors that indicate non-continuity in the relationship. From January to August 2022, we used KPMG's TPRM (Third Party Risk Management) tool, and from November of the same year, ICTS' Aliant. In addition, payments to suppliers identified as critical or high risk are analyzed by Compliance.

Our contracts have provisions on relevant topics, such as fighting the exploitation of child or slave-like labor. There are also clauses to guarantee human rights, which repudiate and prohibit discriminatory practices; for the preservation and respect for the environment; and for compliance with our Code of Ethics and Conduct.

## Percentage of volume purchased and certified by internationally recognized standards, which track the path of products in the supply chain GRI 13.23.3.

Product	Percentage of volume
Cottonseed	92
Lubricants	100
RMW Packaging	95
Fuels	80
Corn Seed	57
Crop protection	28
Fertilizers	25

\* Internationally recognized standards: ISO 9001, ISO 14001, ISO 45001.

In the last cycle, we improved our livestock supplier evaluation process. All partners were evaluated prior to registration and this process now covers a look at properties, owners and suppliers.



# 100%

of suppliers are evaluated according to 40 questions, including ESG aspects



## Clients

In our business relationships, the provision of a good experience to the company's customers is a priority. To this end, we have a firm structure to guarantee the quality of our products and initiatives to bring dialogue closer and measure the satisfaction of this audience.

Throughout 2022, our proximity and partnership with customers was essential to circumvent the impacts of climate events on some crops, especially cotton crops. Our trustworthiness made it possible to make specific adjustments, ensuring full compliance with all sales contracts.

In the marketing of seeds, we provide a Customer Portal, with tools to track deliveries and after-sales support. We also offer the SLC Sementes Garante Program, ensuring a quality index of 90%, considering proper germination conditions (*read more on page 15*).

The good relationship is supported by the result of the satisfaction survey, applied every two years. In the third round of customer consultation, we averaged 9.5 on a scale of zero to ten.

**Faced with the adverse climate scenario in some regions, dialogue and partnership with our customers were essential.**



# Performance on the environmental agenda

GRI 2-23, 2-25



# Climate change

**GRI 3-3: material topic management, SASB: FB-AG-110a.2, TCFD Goals and Metrics - A, B and C.**

We work on multiple fronts to mitigate our impacts. The most important are the adoption of management techniques and land use for carbon fixation, the decision not to convert areas of native vegetation, formalized in our Zero Deforestation Policy, and the participation in initiatives and commitments to preserve the environment.

In 2022, in order to reinforce our commitment, we decided to go beyond our commitment to reduce our greenhouse gas emissions by 25%. SLC Agrícola has set the goal zero carbon in net emissions in Scopes 1 and 2 by 2030, with 2019 as the base year.

In 2022, the emission intensity indicator fell 55% compared to 2019. The graph shows the behavior of this indicator, the total emission of the company, which increased due to factors such as growth in operation and improvement in relation to the coverage of data considered within the greenhouse gas (GHG) inventories. In addition, the removal of emissions resulting from green manure is presented, a practice that will be relevant on this front in the coming years.

**The 55% reduction in the average emissions generated for production, from 2019 to 2022, confirms the efficiency of our yield.**

## Carbon neutral

We have set the goal of making SLC Agrícola's operations zero carbon in net emissions in Scopes 1 and 2 by 2030.





## GHG Emissions – Scope 1, 2 and 3 (t CO<sub>2</sub> equivalent)\* \*\* \*

GRI 305-1, 305-2, 305-3, TCFD Targets and Metrics - b.

	2020	2021	2022
GHG Emissions – Scope 1	424,382	599,538	791,163
Total indirect emissions - Scope 2	2,819	7,989	2,960
Other GHG emissions – Scope 3 ***	-	8,182	113,156

\* The following gases were considered for calculation: CH<sub>4</sub>, N<sub>2</sub>O, HFCs.

\*\* We follow the standards of the GHG Protocol and the principles of ABNT NBR ISO 14.064:2007.

\*\*\* Scope 3 emissions have been improved, in 2020 they were not considered, in 2021 we started to consider and in 2022 we expanded coverage.

## Other indirect emissions (Scope 3) of greenhouse gases (tCO<sub>2</sub> equivalent)\* \*\* \*\*\* GRI 305-3

	2020	2021	2022
Upstream transport and distribution	-	7,974.84	50,436.35
Business travel	-	207.12	378.75
Downstream transport	-	-	62,341.14

\* The following gases were considered for calculation: CH<sub>4</sub>, N<sub>2</sub>O, HFCs.

\*\* We follow the standards of the GHG Protocol and the principles of ABNT NBR ISO 14064:2007.

\*\*\* Scope 3 emissions have been improved, in 2020 they were not considered, in 2021 we started to consider and in 2022 we expanded coverage.

## Direct greenhouse gas emissions (t CO<sub>2</sub> equivalent)\* \*\* GRI 305-1, SASB: FB-AG-110a.1

	2020	2021	2022
Generation of electricity, heat or steam (energy and stationary combustion)	11,173	9,751	4,894
Physical-chemical processing (agricultural activities)	379,978	456,474	714,839
Fugitive emissions	351	631	66,390***
<b>Total gross CO<sub>2</sub> emissions (Scope 1)</b>	<b>424,382</b>	<b>599,538</b>	<b>791,163</b>
<b>Biogenic emissions (removal)</b>	<b>(344,334)</b>	<b>(156,690)</b>	<b>(323,483)</b>

\* The following gases were considered for calculation: CH<sub>4</sub>, N<sub>2</sub>O, HFCs.

\*\* We follow the standards of the GHG Protocol and the principles of ABNT NBR ISO 14064:2007.

\*\*\* Maintenance gases and equipment in 2022 were included in the 2022 inventory.







Based on our goal of making SLC Agrícola's operations zero carbon in net emissions in Scopes 1 and 2 by 2030, we present the emissions intensity indicator, which considers volumes from agricultural activities within scope 1, such as soil correction, use of fertilizers, fuels, firewood, change in land use and agricultural waste, in addition to electricity consumption, within scope 2. The first data set does not sum the biogenic removals (table GRI 305-4, lines 1 and 2). Comparing 2022 with 2019, the average emissions generated for production falls, while the emission per area increases. This shows the efficiency in yield, a drive that has been improved over the years, that is, we managed to produce more per area, with a smaller amount of inputs per ton of product.

In the second set of data (table GRI 305-4, lines 3 and 4), the removals attributed to green manure were added. This carbon balance, between emission and removal, shows the importance of zero carbon in net emissions in Scopes 1 and 2 by 2030 goal.

## GHG direct emissions intensity\* GRI 305-4

	2019	2020	2021	2022
<b>Total gross CO2 emissions (Scope 1)</b>	<b>426,558.57</b>	<b>424,382</b>	<b>599,538</b>	<b>791,163</b>
<b>Biogenic emissions</b>	<b>(91,328)</b>	<b>(352,304)</b>	<b>(230,937)</b>	<b>(370,346)</b>
Greenhouse gas emissions intensity - agricultural (total emissions ** in tCO <sub>2</sub> e/tonne of product)	0.209	0.239	0.221	0.201
Greenhouse gas emissions intensity - agricultural (total emissions ** in tOC <sub>2</sub> e/hectare planted)	0.769	0.941	1.073	0.837
Greenhouse gas emissions intensity - agricultural and green manure (total emissions ** in tCO <sub>2</sub> e/tonne of product)	0.154	0.041	0.119	0.069
Greenhouse gas emissions intensity - agricultural and green manure (total emissions ** in tOC <sub>2</sub> e/hectare planted)	0.570	0.162	0.575	0.288

\* Scope 1, scope 2 emissions of gases are considered: CH<sub>4</sub>, N<sub>2</sub>O, HFCs.

\*\* Emissions considered within scope 1: gypsum, limestone, fuels, urea, fertilizer, firewood, change in land use, agricultural waste and electricity.

\*\*\* Emissions within scope 1 were considered, as described in the item above, and subtracting the removal of carbon stored by green manure.



## GOVERNANCE AND DECISION MAKING

### TCFD Governance – A, B

The topic of climate change is present in the discussions and activities of the company's senior leadership. The members of the Board of Directors and our committees are informed about climate-related issues during the processes of analyzing and guiding risk management strategies and policies, as well as monitoring progress regarding the objectives and goals set. Our Statutory Audit Committee also works on the governance of the risk matrix, with factors related to climate change, and the company considers the National Policy on Climate Change (Law 12187/2009) and the Paris Agreement as regulatory requirements.

Our strategic objectives for the climate agenda derive from the ESG pillar of our strategic planning. The leaders of each project are responsible for tracking key deliverables, indicators and investments. Monthly Results Meetings (RMR) are held, in which the Board of Executive Officers participates to monitor *performance* indicators. Project leaders are also responsible for tracking progress, which is recorded in a specific system.

In 2021, the ESG Committee had its first year of operation. The body was established to accelerate our strategic vision in the management of fronts focused on sustainability. Throughout 2022, six meetings were held, with discussions on topics related to business adaptation to the context of climate change, environmental management, investments in social projects, among others. The Committee responds to the Board of Directors, which is also responsible, among other issues, for monitoring the implementation of policies and guidelines by the Board of Executive Officers, which address the ESG agenda.

The company's Chief HR, Sustainability and IT Officer shall report the opportunities and risks related to business and climate change, whose identification is made every six months, to the Board of Executive Officers and the Board of Directors. This allows you to resolve on investments and budgets for projects aimed at managing commitments in this area.



**We are attentive to challenges and opportunities for the climate.**

## Climate strategy

### TCFD Strategy - A, B and C

Looking at the next three years (short-term scenario), we act in line with the operational plans, which are reviewed annually, and prepare to minimize the effects of the risks identified in monthly climate studies. Most models analyzed indicated that La Niña phenomenon was losing strength, but that it would still be present. Temperature levels within neutrality were identified, but with the possibility of cooling again by the end of the year. There are indications of a turn for El Niño in the 23/24 harvest.

The mitigation and adaptation measures made by the company revolve around our constant investments in research, innovations and technologies to mitigate our environmental impacts, which can occur, for example, through sustainable financing (read more on page 34).

In the medium term (from three to ten years), an important strategy used by the company to mitigate impacts is the geographic location dispersed throughout the Northeast and Midwest regions of Brazil. This makes it possible to mitigate adverse climate effects, which can affect one but not all regions simultaneously.

For the long term, which covers 10 to 30 years, horizons are those that consider emerging scenarios and trends in climate risk management. Through governance mechanisms, we manage the factors that can affect business continuity in an integrated manner and aligned with the expectations of our *stakeholders*. This form of action is in accordance with the guidelines and procedures established in the Market Risk Management Policy and is monitored by the Risk Management Committee, with the approval of the Board of Directors. In 2022, this front was reinforced with the installation of the Statutory Audit Committee to advise the Board of Directors. The main risks identified include: changes in rainfall regimes; the intensification of climate events; and the growth of desertification processes.

A long-term opportunity, likely to happen, points to products and services within climate change and the carbon market. With a magnitude of medium impact, the potential values of financial



impact range from R\$3.3 million to R\$11 million. These values were calculated considering that one hectare of adult forest in the Amazon biome can generate 400 to 500 carbon credits, whose value today is US\$5.00 to US\$10.00, and taking into account projects that seek to restore 320 hectares of forest.

Another opportunity, this time in the medium term, with low probability and medium magnitude of impact, also related to access to new agricultural markets, is the development of a new methodology for calculating emissions, which is part of the strategic project of the AgroX company. We have the opportunity to transform this product into a new business from the possibility of patent registration of the tool. Since the new methodology is still in the development phase, the calculations of financial impacts still involve many uncertainties. The investment to implement this methodology to date is R\$489 thousand.

Although SLC Agrícola does not have a transition plan aligned with a 1.5°C temperature increase scenario, the company has a Transition Plan defined to achieve net emissions neutrality, in scopes 1 and 2, by 2030 (compared to 2019).



108,000 ha of environmental preservation areas and legal reserves maintained on our farms

## Enrichment Planting **GRI 304-3**



Our farms have 108,000 ha\* of environmental preservation areas and legal reserves, in compliance with the Brazilian Forest Code. In 2021, in view of the potential for carbon sequestration, we developed an enrichment planting project that allowed the reforestation of 53 hectares in 12 of our units.

We continue to work on this front in 2022, with the goal of planting trees on another 80 hectares – the seedlings are preferably those grown in nurseries on our farms, and can be acquired from third parties. Our ambition is to achieve 320 hectares of enrichment by 2030.

\* The difference in protected area in relation to the reported in 2021 was due to new measurements and the exclusion of calculation of some areas with inconclusive land processes. We emphasize that there was no change in land use, we just failed to consider areas in our native vegetation land bank.



### MONITORING OF CARBON SEQUESTRATION IN GREEN AREAS

The pilot project, developed by the sustainability department of SLC Agrícola, with the technical team of Fazenda Paiaguás and in partnership with the company Geplant, tested a carbon measurement tool in green areas remotely and accurately, generating carbon capture data from green areas consistently and quickly for decision-making. The tool was tested at Fazenda Paiaguás, comparing the results generated by the tool with data from samplings carried out in the field, through a forest inventory. The tool has proven to be efficient and the expectation is that its use will be expanded to all other farms in the company's area.

### ACCURACY IN THE CALCULATION OF EMISSIONS

In 2022, we advanced in the pilot project to digitize the calculation of greenhouse gas emissions. The project consists of developing a robust tool that is able to inform the emissions effectively generated by agricultural management operations. Emissions will be reported through a *software* calibrated to the climatic conditions of Brazil, which uses modeling and statistics in the calibration. This tool is being configured with the results of greenhouse gas (GHG) sampling collected in four farms of SLC Agrícola, during two harvests and two off-season, representing the environmental variability of the other farms in terms of soil and climate.

We aim to work with emission scenarios, in view of what is planned for the coming years. In this way, we can make strategic decisions ahead of the harvest, helping to accelerate the achievement of our goal of neutralizing our emissions. The project has the partnership of the technology company CERENSA and the Federal University of Santa Maria - UFSM. The pilot project is in its second year of operation and is being carried out at the Parnaíba, Panorama, Paiaguás and Planalto farms.

## Soil conservation and green manure **GRI 305-5**

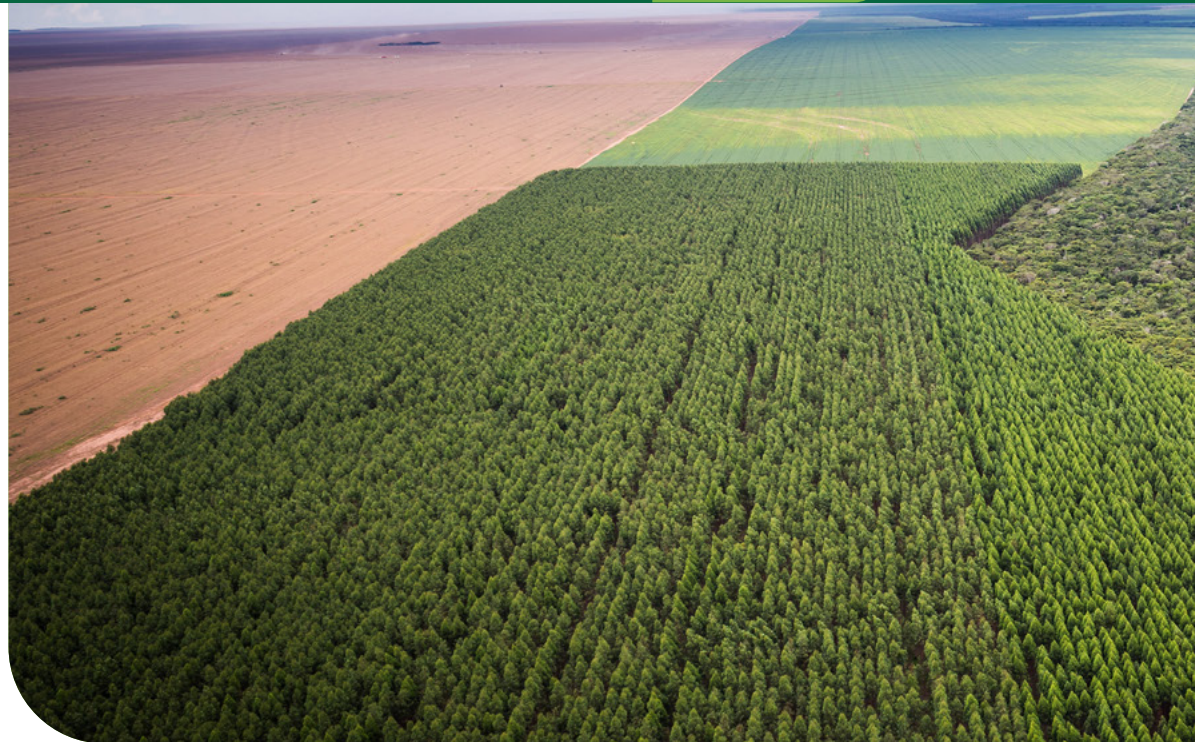
Land use and management techniques are critical in carbon footprint mitigation efforts. Therefore, we invest in inputs and soil cover activities, which involve materials such as millet, crotalaria and brachiaria, in addition to direct planting (without inverting the soil). This allows more haystack to be generated in the growing area, contributing to sequestration of carbon and reducing the need for nitrogen fertilization.



**370,346**

tons of CO<sub>2</sub>e removed due to soil cover planting in 2022

**Green manure was responsible for capturing 41% of the company's emissions in 2022.**



## Carbon Disclosure Project – CDP

Another relevant achievement of the year was the company's advances in the indexes verified by the Carbon Disclosure Project (CDP). The evaluation of this institution comprises aspects related to carbon and climate management, water security and forest management and is carried out annually. The improvement achieved in the item "climate change" was clear: we jumped from score D to B-. Confirm the details:

### Our score in CDP 2022:

Category	2022	2021
Climate change	B- (Management: coordinated action on climate issues)	D (Disclosure: transparency on climate issues)
Forests	B for livestock products and B- for soybeans (Management: coordinated action on forest issues)	C for soybeans (Awareness: knowledge of impacts on forest issues)
Water Security	B- (Management: coordinated action on water issues)	D (Disclosure: transparency on water issues)

## Produzir, Conservar e Incluir - PCI (Produce, Preserve and Include)



In 2022, SLC Agrícola joined the PCI steering committee, an initiative of the government of the state of Mato Grosso that seeks to raise funds to foster local sustainable development. The objectives of the PCI include the expansion and increase of the efficiency of agricultural and forestry production, the conservation of the remnants of native vegetation and the socioeconomic inclusion of family farming.

The program also aims to reduce emissions and increase carbon sequestration by controlling deforestation and developing a low-carbon economy. We expect to contribute to the progress of the initiative, focusing mainly on the reduction of greenhouse gas emissions and carbon sequestration through the promotion of sustainable solutions and the fight against deforestation.



Learn more about PCI here.



## Management of risks and impacts on yield

**GRI 3-3: Environmental Management System, 201-2, 13.2.2, SASB: FB-AG-440a.1, TCFD Risk Management - A, B and C.**

The determination of impacts and risk factors is developed based on our Risk Management Policy. The entire process of surveying and evaluating environmental aspects is worked in line with ISO 14001. We divided the impacts into ten categories, which include “normal”, “abnormal”, “beneficial” and “adverse” - in the latter case, we inserted the event into a scoring system, which maps scale, severity, probability and frequency.

Our Agricultural Planning Intelligence sector is responsible for estimating potential yield losses and gains related to climate events and diagnosed impacts. In the last process developed, the historical yield averages of the last 24 soybean, 23 cotton and 18 corn crops were considered to analyze the performance of crops in neutral situations and in the scenarios affected by La Niña and El Niño climatic phenomena (*read more on pages 17 and 67*).

**The company is preparing to deal with climate aspects through mapping and categorization of impacts and data analysis.**



# Biodiversity

GRI 304-2, 304-3

SLC Agrícola's positioning to maintain a level of protagonism in the ESG agenda and promote sustainable development in the value chain extends to initiatives and commitments to protect and preserve biodiversity where we operate.

On this front, the relevance of the company's Zero Deforestation Policy, established in 2021, stands out. The document is a milestone in our journey and establishes that the operational expansion of SLC Agrícola in the coming years will not occur through the conversion of lands with native vegetation.

Our own 100% protected areas cover 1,180 km<sup>2</sup>, and are located in the following states: GO, MS, MT, BA, PI and MA. In the 11 farms currently certified by ISO 14001, periodic audits are carried out by independent companies, which attest, among other requirements, to the effectiveness of restoration and environmental conservation measures. The methodologies adopted for monitoring follow the Remote Sensing Program of SLC Agrícola and the georeferencing system, in addition to data from INCRA and SICAR.



## Biofactories

We also gradually invest in biotechnologies to replace synthetic products in crop care. In 2022, we increased to 13 own biofactories, aimed at the production of natural crop protection that use microorganisms to control pests and diseases in soybean, corn and cotton crops.

These solutions contribute to maintaining the natural balance of ecosystems and reducing the use of materials and water in operations.



See details on the position of our farms in relation to conservation units in the Annex.

## IMPACT MANAGEMENT

Before the construction of any infrastructure in our units, we carry out an environmental inventory to ensure the reduction of negative environmental impacts generated by the activities. This includes a *checklist* for surveying possible contaminated areas in previous activities; if necessary, the collection of soil and water samples; and evaluation of the sewage network or the need to adapt septic tanks.

Indirectly, with the horizontal increase of crops and pastures in Brazil, there may be modification or fragmentation of *habitats*, with changes in aquatic and terrestrial ecosystems. The main species affected by these impacts are bees, butterflies, birds and aquatic insects. This reinforces the relevance of our zero deforestation position, in force since August 2021, as we no longer open native areas, in order to prevent such impacts.

The extent of affected areas is measured according to the type of impact generated.





The duration of impacts is directly associated with how the company will deal with them. Negative impacts tend to be resolved quickly, through environmental programs, environmental compensation, among other resources. Positive impacts tend to be long-lasting if the entire value chain acts correctly.

Reversibility or irreversibility of impacts is determined by the amount and extent of these impacts, which may become irreversible when not subject to mitigation. The vast majority, however, are liable to replacement, compensation or reversal, provided they are dealt with within a reasonable time.



**Our growth is in line with the preservation of the environment, without transforming native lands for agricultural production.**



## Environmental conservation services



In April 2022, we signed a financial compensation agreement for maintenance of an area of 1,358 hectares of native vegetation at Fazenda Perdizes, in Mato Grosso. The agreement was signed voluntarily with the Institute of Environmental Research of the Amazon (IPAM), valid until 2025.

The initiative is part of CONSERV Project, which compensates rural producers operating in the Legal Amazon whose properties have areas of native vegetation in addition to the reserve required by the Forest Code. The project was launched in 2020 by IPAM and is developed in partnership with the Woodwell Climate Research Center and the Environmental Defense Fund (EDF).

CONSERV operates through payments for environmental services (PSA) to generate income and recognize the role of producers in environmental conservation. This platform contributes to reinforce business opportunities combined with the preservation of biodiversity.

It is worth mentioning that the area covered in SLC Agrícola's contract with IPAM is not part of the Legal Reserves or Permanent Preservation Areas (APP) of Fazenda Perdizes (MT), in line with the project rules. In 2022, the company already received the first two installments of the financial compensation provided for in the contract.

So far the area has been protected.

## Pioneering

Within the scope of CONSERV, the territory we conserve is the largest individual area to adhere to the mechanism and the first located in the Amazon biome.



# Other fronts for preserving the environment

■ **Production of tree seedlings:** Seven farms of the company cultivate native species of the Cerrado, planted in our units and destined for donations to local communities (*read more on page 57*);

■ **Partnerships:** We join forces with units and civil society organizations to design and build fauna and flora conservation projects;

■ **Biodiversity Conservation Project in the Cerrado:** Within the scope of Produce, Conserve and Include (PCI), the general goal was to foster the conservation and sustainable management of the natural resources of the biome, assisting and integrating the relevant authorities in the preparation of public policies and in the establishment and management of priority areas for conservation and sustainable use of natural resources;

■ **Biodiversity conservation study:** Delivered in 2022, the study will be published in 2023, when we will be able to provide more details of the behavior of biodiversity from the perspective of analyses of flora in the rural environment. Also in 2023, another study we intend to start will include an analysis of local fauna.



## Firefighting and fire prevention

The company has a modern structure to act quickly in fighting fires in our units. This includes proprietary *software* to monitor hot spots in real time, with georeferencing and satellite imagery.

In addition, we have water trucks available in our units, we hire surveillance in sensitive areas and carry out brigade training. We also have firebreaks and roads to prevent the spread of fire and install in our tractors tanks-grids, capable of drowning out flames.



# Water and effluents

GRI 303-1, SASB: FB-AG-140a.2

Water management at SLC Agrícola is composed of practices and initiatives that prioritize the rational and accurate use of water, the preservation of water resources and the awareness of our team. We are always working in search of solutions that mitigate our impact and actions of engagement and communication that internally disseminate the importance of treating the issue responsibly.

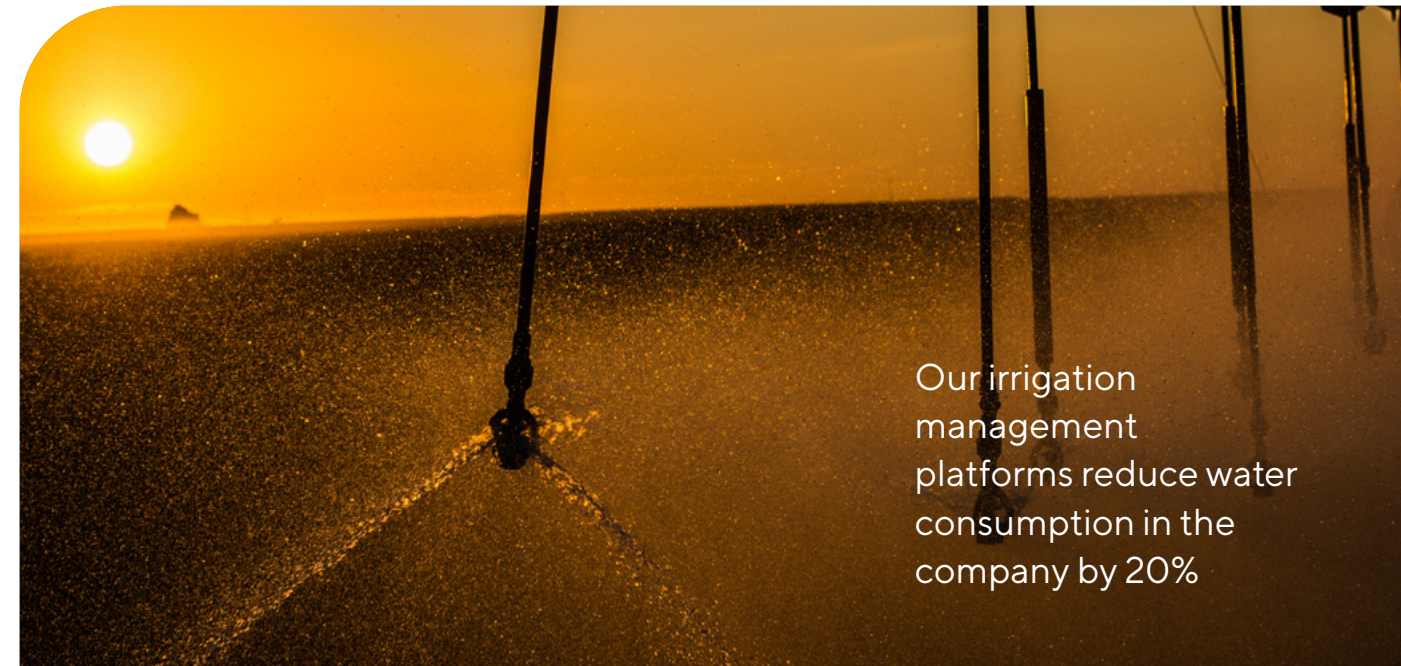
Currently, our farms are located in the areas of the following river basins: Amazon; Tocantins-Araguaia; São Francisco; Platina (Paraná, Paraguay and Uruguay Basin); Parnaíba; and Western Northeast Atlantic.

In our units, we rely mostly on rainwater for cultivation: 98% of the land is cultivated in a dry farming model. In activities to support production, such as cleaning machines and vehicles, we raise funds in underground wells and reuse treated effluents. At Pamplona (GO) and Paysandu and Palmares (BA) farms, additional irrigation is eventually required, considering the reduced volume of precipitation, and the adoption of precision agriculture technologies and practices,

through a digital system, allows the use of water without waste.

Water use activities are carried out through authorization from the relevant environmental agency, both for groundwater collection and for surface water collection. There are fundraisers that wait for the authorization to be issued, since the operation is old, existing even before the beginning of our activities. **SASB: FB-AG-140a.3**

Each unit controls consumption through form 176, filled out monthly. The impact is assessed through LIA (Survey of Environmental Aspects and Impacts), updated every year by environmental analysts. Regarding the possible risk scenarios associated with the unavailability of water, they are studied promptly, following the criteria of the Integrated Management System, which include magnitude analysis and preparation of an action plan to treat potential deviations. The company's goal is to quantify 100% of water consumption.



Our irrigation management platforms reduce water consumption in the company by 20%



## Automated monitoring

At Fazenda Pamplona, we completed a pilot project in 2022 to monitor water consumption and effluent generation in an automated manner. We are already working to scale the solution to the entire main headquarters of the Farm. With automated monitoring, it will be possible to mitigate losses and correct identified inefficiencies, with the potential to reduce unit water consumption for purposes other than irrigation. The expectation is that this automation will be used in all farms of SLC Agrícola in the coming years.



## Total volume of water collected in all areas and areas with water stress, by source (ML)\* \*\* \*\*\*

GRI 303-3, 303-5, SASB: FB-AG-140a.1

Source	2022		2021		2020	
	All areas	Areas of water stress	All areas	Areas of water stress	All areas	Areas of water stress
Surface water (total)	36,159.3	21,320.7	13,417.7	7,195.2	17,104.9	3,154.4
Groundwater (Total)	3,611.6	1,646.2	1,558.3	168	1,507.3	205.2
<b>Total</b>	<b>39,770.9</b>	<b>22,966.9</b>	<b>14,975.9</b>	<b>7,363.2</b>	<b>18,612.2</b>	<b>3,359.6</b>

\* Information collected from FORM. 176 - Water consumption, which is filled out by the farms monthly with data from the reading of the hydrometers in the wells. Water collected is considered fresh.

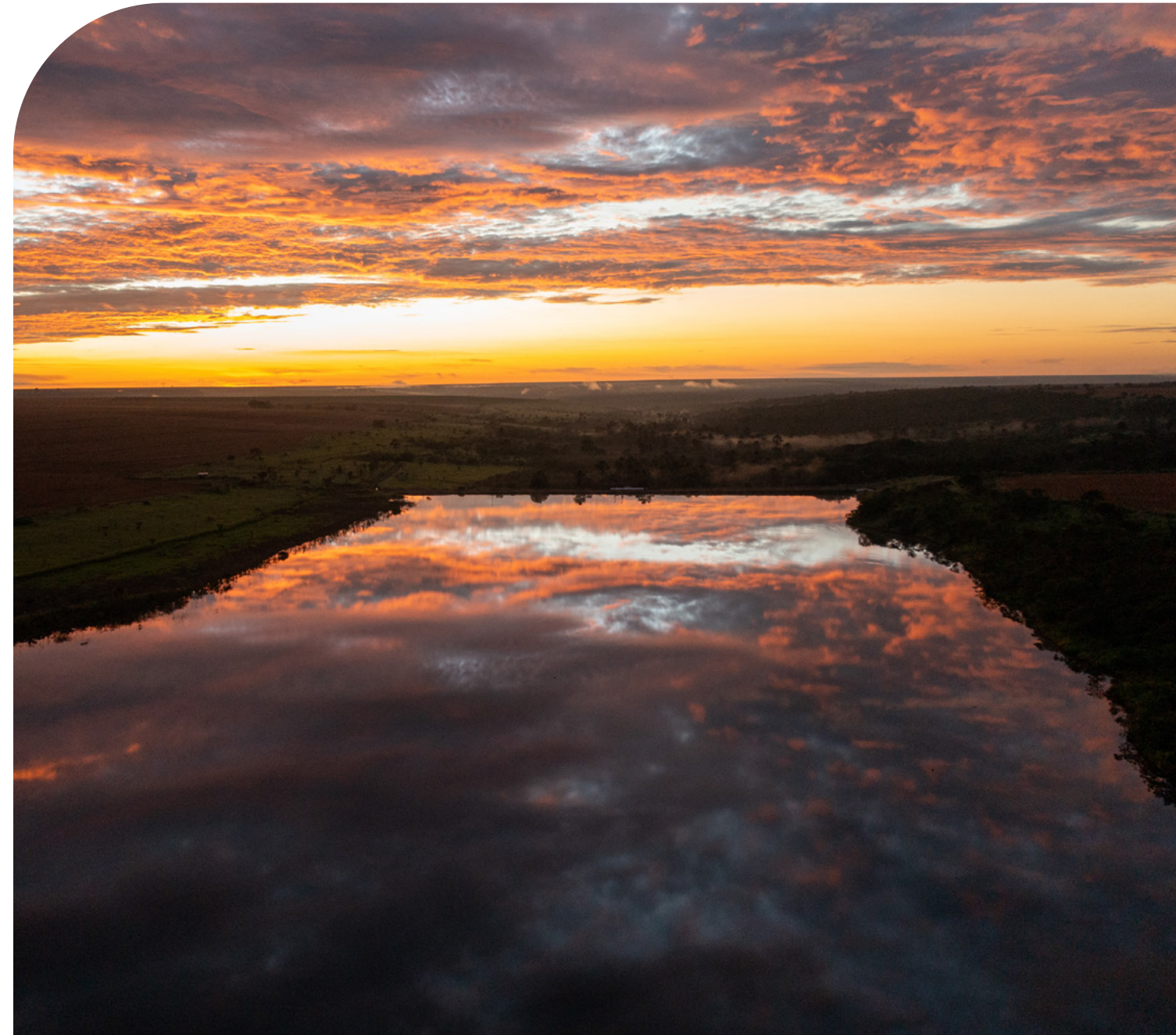
\*\* The company does not collect seawater, nor does it purchase water from distributors or third parties.

\*\*\*Since water collected is consumed and there is no disposal, only reuse, it is understood that the volumes are equivalent.

## Total water consumption, in ML

GRI 303-5, SASB: FB-AG-140a.1

Water collected – discharged	39,328
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## Effluent and sewage treatment GRI 303-2, 303-4

Nine units of the company have Wastewater Treatment Plants (WWTPs), where we treat domestic sewage, in line with the quality parameters of the National Environment Council (Conama) and respective agencies responsible for the environmental licensing of the farms. In 2022, we treated 442.11 ml in these stations. Sewage treated in this process is reused in the humidification of unpaved access roads, located around the crops.

In addition, the effluents of the operations, basically composed of oil and water, are separated by physical treatment, through Water and Oil Separator Boxes - CSAO. The water is infiltrated into the soil and the oil is sent for re-refining. There are also effluents generated in the washing of contaminated PPE and aircraft used in the application of crop protection. The product of this cleaning is treated in a decontamination system, with an ozonizer, and later stored in a waterproof pool to undergo an evaporation process.

To manage the water quality standards of effluent disposal, continuous controls and monitoring are adopted, following the standards established in the Operating Licenses and in accordance with current legal requirements. For the analysis of treated water (drinking fountains and wells), PRC No. 5, 2017 is used: Consolidation Ordinance No. 5 - Annex XX; September 2017: "Control and surveillance of water quality for human consumption and its drinking standard". As for the treated effluent analyzes, the parameters in Conama 430 - Art.16: Conama 430/2011 are complied with: "Provides for the conditions and standards for the discharge of effluents, complements and amends Resolution 357 (Conama 2005)". In case of frequency of the effluent analyzes, this is defined by the environmental agencies, by conditions of Licenses or Authorizations.



### Total water disposal in all areas and areas with stress, by sources (ML)

	2022
<b>Surface water</b>	<b>All areas</b>
Pit disposal	304.20
WWTP discharge (Reuse)	137.91
<b>Total</b>	<b>442.11</b>

\* The calculation basis used to determine the amount allocated in the WWTPs was: treatment capacity of the WWTP (m<sup>3</sup>/day) \* 365 days. In the end, the value was converted from m<sup>3</sup> to ML.

\*\* The company does not dispose of effluent in water bodies. The effluent treated in the WWTPs is used for road humidification and general cleaning at the headquarters. In this sense, the disposal described above is about reuse, and not about disposal itself.



# Waste management

GRI 306-1, 306-2

We classify and separate the waste generated in our operations between hazardous (class I) and non-hazardous (class II), meeting the determinations of ABNT 10004. We have the support of specialized companies to collect and give the correct destination. Waste from plastic tarps used in the harvesting and processing of cotton, and organic waste, such as food waste and sanitary waste, are the main waste generated by the company.

Our Temporary Waste Centers have all environmental control devices. Class I Waste Storage Center has a waterproof floor, containment channels, air outlet with grid, and containment tank for possible leaks.

The waste disposal method is determined according to the classification. All companies contracted for this activity undergo an approval process, in which all documents necessary for accreditation are requested. In addition, materials disposed are accompanied by the Waste Transport Manifest - MTR, issued through the SINIR-MTR system, which allows identifying the progress of all stages of the management of the waste generated, its transport, treatment and final destination.

In 2022, we completed the pilot project of Circular Economy and Zero Waste to Landfill, linked to our goal of Zero Waste to Landfill by 2030, at Fazenda Pamplona. Pioneer in the sector, the initiative seeks to increase the recyclability rate of waste generated in operations, as well as zeroing the disposal of materials to landfills. Through this project, in less than six months, we achieved a recyclability rate of 99.8% in the unit, a significant increase from the 29% recorded before the implementation of the project. The result was achieved from measures such as the disposal of food waste for composting, called Ecofactory, and can be used later as biofertilizers in the crop. In 2023, we intend to extend the Circular Economy to Planalto, Pioneira, Parceiro and Parnaguá farms.



In 2022 we generated a total of 4.8 thousand tons of waste, an increase of 88% compared to 2021. This resulted from the first cleaning and organization of the headquarters of the farms in which we started the operation in the previous year. Most of the total volume (88%) of waste generated was classified as non-hazardous. In addition, approximately 86% of the total waste generated, including hazardous and non-hazardous, was destined for processes that allow its reinsertion in a production cycle, through recycling or co-processing.

Also, we generated 48,245 tons of waste from processing in the last cycle (this is the first year reported). This volume was not counted as waste, considering that they are classified as by-products, as they feed other production processes inside and outside SLC Agrícola.



**We are increasingly seeking to promote a circular economy in our units and processes.**

**Total waste for disposal, by operation, in metric tons (t) GRI 306-5**

	2022	2021	2020
<b>Non-hazardous waste</b>			
Landfill	657.9	219.0	786.3
<b>Hazardous waste</b>			
Incineration	365	189.6	147.5
<b>Total waste destined for final disposal</b>	<b>1,022.9</b>	<b>408.6</b>	<b>933.8</b>

**Total waste generated by composition (t) GRI 306-3**

Paper / Cardboard	215
Metals	1,333
Plastic	2,073
Tires	10
Industrial waste (by-product) <sup>1</sup>	48,245
Tailings	658
Used oil	217
Class I waste (hazardous)	365
<b>Total</b>	<b>53,116</b>

<sup>1</sup> By-product: feathered cotton shavings, cotton briquettes, corn stover and soybean residue.

**Total waste diverted from disposal, by composition, in metric tons (t), in 2022 GRI 306-4**

Composition	Quantity (t)
Organic waste + Tailings	791
Composting	217
Recycling	3,631



# Economic and financial

# Performance





# Economic and financial performance GRI 201-1

The company acted with resilience in 2022, dealing with adverse climate scenarios that mainly affected corn and cotton production. Still, we achieved good results, as a result of our solid cost control and the measures taken to adapt our operations to the scenario experienced during the year.

We ended the year with strong solidity, reaching new records. Net Revenue reached R\$7.4 billion and Net Income was R\$1.3 billion, with a net margin of 18.1%. Adjusted EBITDA exceeded R\$3 billion, with an Adjusted EBITDA margin of 41.3% and Free Cash Generation very close to R\$1 billion, which brought our leverage to a very comfortable level of 0.77x. In addition, it is worth noting the relevant evolution of Return on Invested Capital, another important indicator, which ended the period at 30.1%, achieving our efficiency and profitability.

On the operational side, in the 2021/22 crop year, we had good levels of soybean yield, even with a 45% growth in planted area. Cotton and corn yield were affected by weather conditions, ending the harvest below the initial project. On the other hand, the improvement in invoiced prices partially offset this drop.

Financial Highlights (R\$ thousand, except where indicated)	2021 Combined	2021(b)	2022(c)	AH(c x a)
Net Revenue	4,963,121	4,363,210	7,373,034	48.6%
Variation in fair value of the biological assets	2,234,366	1,961,159	2,216,676	-0.8%
Net Income	1,066,474	1,130,759	1,336,733	25.3%
Net Margin	21.5%	25.9%	18.1%	-3.4 p.p.
Adjusted EBITDA	1,880,501	1,685,247	3,047,078	62.0%
Adjusted EBITDA Margin	37.9%	38.6%	41.3%	3.4 p.p.

## Classifications

**“Combined Data”**: sum of the data disclosed by SLC Agrícola S.A. (Consolidated) with the data disclosed by Terra Santa Agro S.A. (Parent Company), currently a wholly-owned subsidiary of SLC Agrícola S.A.

**“2021 combined”**: means strictly the sum of the data disclosed by SLC Agrícola S.A. (related to January to December/2021), plus data disclosed by Terra Santa Agro S.A. (Parent Company, related to January to December/2021), currently a wholly-owned subsidiary of SLC Agrícola S.A.

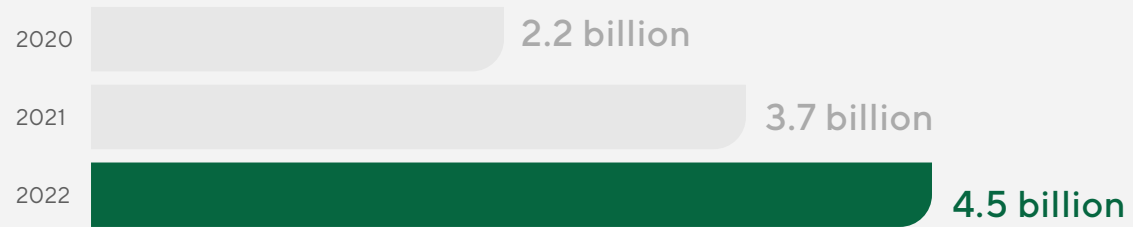
**“2021”**: data based on the consolidated interim financial statements that consider the operations of the company and its subsidiaries within 12 months (January to December/2021).

**“2022”**: data based on the consolidated interim financial statements that consider the operations of the company and its subsidiaries within twelve months (January to December/2022).

**“AH”**: refers to the percentage horizontal variation between two periods.



### Direct economic value generated- Revenues (R\$)



### Economic value withheld (R\$)

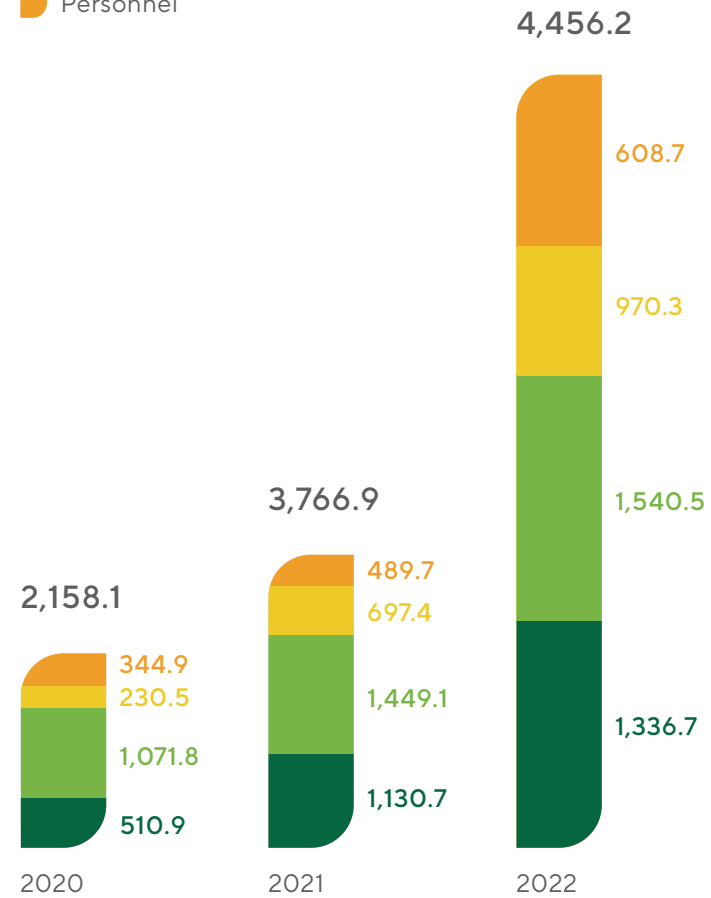


“Direct economic value generated” minus “Economic value distributed”

### Distributed economic value

(R\$ million)

- Compensation of own equity
- Remuneration of third-party capital
- Taxes, fees and contributions
- Personnel





# Contents

## GRI, SASB and TCFD



# GRI, SASB and TCFD Summary

<b>Statement of use</b>	SLC Agrícola reported pursuant to GRI Standards from January 1 to December 31, 2022
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sectoral Standard(s)</b>	GRI 13: Agricultural, Aquaculture and Fisheries Sectors 2022

GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
<b>General Content</b>						
	2-1 Organization details	10, 20				
GRI 2: Contents General 2021	2-2 Entities included in the organization's sustainability report	3				
	2-3 Reporting period, frequency and contact point	3				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
GRI 2: Contents General 2021	2-4 Restatements of information	In 2022 integrated report, it is possible to see the effects of the operation of the farms acquired and leased in mid-2021, such as the generation of waste and water consumption. In this cycle we also started accounting for the waste generated in processing, which serve as raw material for other industries. Regarding the variation between the lowest salary and the minimum wage, in the GRI 202-1 indicator, the national minimum wage was considered until 2021. In 2023, the lowest State minimum wages where we operate were considered.				
	2-5 External assurance	111				
	2-6 Activities, value chain and other business relationships	10, 11, 12, 13, 15, 16, 60				
GRI 2: Contents General 2021	2-7 Employees	45, 102, 103				
	2-8 Workers who are not employees	103				
	2-9 Governance structure and composition	20, 21				
	2-10 Appointment and selection of the highest governance body	21				
	2-11 Chair of the highest governance body	21				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
GRI 2: Contents General 2021	2-12 Role of the highest governance body in overseeing the management of impacts	21				
	2-13 Delegation of responsibility for managing impacts	26				
	2-14 Role of the highest governance body in sustainability reporting	The ESG Committee, comprised, among other members, by two members who are on the board of directors, evaluates and approves the integrated report.				
	2-15 Conflicts of interest	30				
	2-16 Communication of critical concerns	21				
	2-17 Collective knowledge of the highest governance body	21				
GRI 2: Contents General 2021	2-18 Evaluation of the performance of the highest governance body	21				
	2-19 Remuneration policies	21, 22				
	2-20 Process to determine remuneration	103				
	2-21 Annual total compensation ratio	104	b.	Information not available		
	2-22 Statement on sustainable development strategy	6, 8				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
GRI 2: Contents General 2021	2-23 Policy commitments	27, 52, 60, 62				
	2-24 Embedding policy commitments	The company incorporates its commitments through the execution in accordance with its procedures, manuals and other documents controlled by the Integrated Management System. Internal and external audits verify whether such commitments are being ensured through compliance with such requirements set out in the controlled documents.				
	2-25 Processes to remediate negative impacts	27, 60, 62				
GRI 2: Contents General 2021	2-26 Mechanisms for seeking advice and raising concerns	27				
	2-27 Compliance with Laws and Regulations	100				
	2-28 Membership associations	12				
	2-29 Approach to <i>stakeholder</i> engagement	18				
	2-30 Collective bargaining agreements	45				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
<b>Material topics</b>						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	18				
	3-2 List of material topics	18				
<b>Climate change</b>						
GRI 3: 2021 Material Topics	3-3 Management of material topics	63				
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	71				13.2.2
GRI 304: 2016 Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	100				
GRI 304: 2016 Biodiversity	304-2 Significant impacts of activities, products and services on biodiversity	72				
GRI 304: 2016 Biodiversity	304-3 Habitats protected or restored	68, 72				
GRI 305: 2016 Emissions	305-1: Direct (Scope 1) greenhouse gas (GHG) emissions	65				13.1.2
GRI 305: 2016 Emissions	305-2 Energy indirect (Scope 2) GHG emissions	65				
GRI 305: 2016 Emissions	305-3: Other indirect (Scope 3) greenhouse gas (GHG) emissions	65				13.1.4





GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
GRI 305: 2016 Emissions	305-4 Greenhouse gas emissions (GHG) intensity	64				
GRI 305: 2016 Emissions	305-5 Reduction of greenhouse gas (GHG) emissions	69				
GRI Sectoral Agriculture 2022	13.3.6 Biodiversity	63				
SASB: Gas emissions 2022	FB-AG-110a.1 Gross global scope 1 emissions	65				
SASB: Gas emissions 2022	FB-AG-110a.Discussion of the long and short-term strategy or plan for managing scope 1 emissions, emission reduction targets and an analysis of performance against those targets	63				
SASB: Purchases of ingredients 2021	FB-AG-440a.1 Identification of major crops and description of risks and opportunities presented by climate change	71				
TCFD: Governance	1.A Describe how the Board oversees risks and opportunities related to climate change	66				
TCFD: Governance	1.B Describe the role of the Board in assessing and managing risks and opportunities related to climate change	66				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
TCFD: Strategy	2.A Describe the risks and opportunities related to climate change that the organization has identified in the short, medium and long term	67				
TCFD: Strategy	2.B Describe the impacts of risks and opportunities related to climate change over business, the organization's financial strategy and planning	67				
TCFD: Strategy	2.C Describe the resilience of the organization's strategy, considering different climate change scenarios, including a scenario of 2°C or less	67				
TCFD: Risk Management	3.A Describe the processes used by the organization to identify and assess risks related to climate change	71				
TCFD: Risk Management	3.B Describe the processes used by the organization to manage risks related to climate change	71				
TCFD: Risk Management	3.C Describe how the processes used by the organization to identify, assess, and manage how climate change-related risks are integrated into the organization's overall risk management	71				
TCFD: Metrics and Goals	4.A Inform the metrics used by the organization to assess risks and opportunities related to climate change according to its strategy and risk management process	63				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
TCFD: Metrics and Goals	4.B Report Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas emissions, and the risks related thereto	63, 64				
TCFD: Metrics and Goals	4.C Describe the goals used by the organization to manage risks and opportunities related to climate change, and performance based on the goals	63				
<b>Environmental management system</b>						
GRI 3: 2021 Material Topics	3-3 Management of material topics	71				
GRI 302: 2016 Energy	302-1 Energy consumption within the organization	99				
GRI 302: 2016 Energy	302-3 Energy intensity	100				
GRI 302: 2016 Energy	302-4 Reduction of energy consumption	100				
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	75				
GRI 303: Water and effluents 2018	303-2 Management of water discharge-related impacts	77				
303: Water and effluents 2018	303-3 Water abstraction	76				
303: Water and effluents 2018	303-4 Disposal of water	77				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
303: Water and effluents 2018	303-5: Water consumption	76				
GRI 306: Effluents and Waste 2020	306-1 Waste generation and significant waste-related impacts	78				
GRI 306: Effluents and Waste 2020	306-2 Management of significant waste-related impacts	78				
GRI 306: Effluents and Waste 2020	306-3 Waste generated	79				
GRI 306: Effluents and Waste 2020	306-4 Waste not destined for final disposal	79				
GRI 306: Effluents and Waste 2020	306-5 Waste destined for final disposal	79				
SASB: Energy Management 2021	FB-AG-110a.3 Fuel consumed in the fleet, renewable percentage	99				
SASB: Energy Management 2021	FB-AG-130a.1 (1) Operational energy consumed, (2) percentage of grid electricity, (3) percentage of renewable energy	99				
SASB: Water Management 2021	FB-AG-140a.1 (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	76				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
SASB: Water Management 2021	FB-AG-140a.2 Description of water management risks and discussion of strategies and practices to mitigate these risks	75				
SASB: Water Management 2021	FB-AG-140a.3 Number of non-compliance incidents associated with water quantity and/or quality licenses, standards and regulations	75				
<b>• Socioeconomic impacts;</b>						
GRI 3: 2021 Material Topics	3-3 Management of material topics	48				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	81				
GRI 202: Market presence 2016	202-1 Ratio between lowest wage and local minimum wage, by gender	46, 104				
GRI 203: 2016 indirect economic impacts	203-1 Infrastructure investments and support for services related to socioeconomic impacts	57				
GRI 413: 2016 Local Communities	413-1 Operations with engagement, impact assessments and development programs aimed at the local community	59				
<b>People development</b>						



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
GRI 3: 2021 Material Topics	3-3 Management of material topics	47				
GRI 401: 2016 Employment	401-1 New employee hires and employee turnover	108				
GRI 401: 2017 Employment	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	46				
GRI 401: Employment 2017	401-3 Maternity/paternity leave	107				
GRI 404: Training and Education 2016	404-1 Average hours of training per year, per employee	104				
GRI 404: Capacitação e educação 2016	404-2 Programs for upgrading the skills of employees and transition assistance programs	47, 112				
GRI 404: Capacitação e educação 2016	404-3 Percentage of employees receiving regular performance and career development reviews	49				
<b>Diversity and inclusion</b>						
GRI 3: 2021 Material Topics	3-3 Management of material topics	50				
GRI 401: 2016 Employment	401-1 New employee hires and employee turnover	108				
GRI 405: Diversidade e inclusion 2016	405-1 Diversity of governance bodies and employees	105, 106, 107				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
GRI 405: Diversity and inclusion 2016	405-2 Ratio of basic salary and remuneration of women to men	107				13.15.3
GRI 406: Diversity and inclusion 2016	406-1 Incidents of discrimination and corrective actions taken	<p>During the period covered by the report, the organization had seven cases of discrimination, all analyzed. The reported cases mention discrimination by gender, sexual orientation and position. Five were considered well-founded after investigations were completed. The recommended disciplinary measures were: guiding/educational measure; verbal warning; and dismissal. There are no ongoing actions for the cases concerned.</p>				
<b>Health and Safety</b>						
GRI 3: 2021 Material Topics	3-3 Management of material topics	52				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	52				
GRI 403: Occupational Health and Safety 2018	403-2 Hazard Identification, Risk Assessment and Incident Investigation	52				
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	52				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
GRI 403: Occupational health and safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	54				
GRI 403: Occupational health and safety 2018	403-5 Worker training on occupational health and safety	52				
GRI 403: Occupational health and safety 2018	403-6: Promotion of worker health	52				
GRI 403: Occupational health and safety	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	52				
GRI 403: Occupational health and safety 2018	403-8 Workers covered by an occupational health and safety management system	53				
GRI 403: Occupational health and safety 2018	403-9 Occupational accidents	55				
SASB: Occupational health and safety 2021	FB-AG-320a.1 (1) Total recordable incident rate (TRIR), (2) fatality rate and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	55				
<b>Ethics and Compliance</b>						
GRI 3: 2021 Material Topics	3-3 Management of material topics	27				
GRI 205: Fighting Corruption 2016	205-1 Operations assessed for risks related to corruption	27, 60				





GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
GRI 205: Fighting Corruption 2016	205-2 Communication and capacity building on anti-corruption policies and procedures	27, 109, 110, 112				
GRI 205: Fighting Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	There were no confirmed cases of corruption in the reporting period, nor public lawsuits related to corruption filed against the organization or its employees.				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	27, 60				
GRI 409: Forced labor or analogous to slave labor 2016	409-1 Operations and suppliers with significant risk of cases of forced or slave-like labor	27, 60				
<b>Certifications and traceability of products</b>						
GRI 3: 2021 Material Topics	3-3 Management of material topics	42				
GRI Sectoral Agriculture 2022	13.23.4 Supply chain traceability	42				
GRI Sectoral Agriculture 2022	13.23.3 Supply chain traceability	42				
GRI Sectoral Agriculture 2016	13.23.4 Supply chain traceability		13.23.4	Not applicable		
<b>Innovation and productivity</b>						
GRI 3: 2021 Material Topics	3-3 Management of material topics	39				



GRI standard / Other source	Content	Location	Omission			GRI Sectoral Standard Ref No.
			Omitted Requirement(s)	Reason	Explanation	
SASB: GMO Management 2021	FB-AG-430b.1 Discussion of strategies for managing the use of genetically modified organisms (GMOs)	43				



# Annex

## Environmental Agenda

### Consumption of fuels from non-renewable sources (thousand GJ) **GRI 302-1, SASB, FB-AG-110A.3**

	2022	2021	2020
LGP (Liquefied Petroleum Gas)	50	-	-
Diesel	1,632	1,344	1,341
Gasoline	31	41	21
Kerosene	21	9	-
<b>Total</b>	<b>1,734</b>	<b>1,394</b>	<b>1,363</b>

### Fuel consumption from renewable sources (GJ) **GRI 302-1**

	2022
Firewood for grain drying operation	494,208
Ethanol	
<b>Total</b>	<b>494,208</b>

### Energy consumed (GJ) **GRI 302-1**

	2022	2021	2020
Electricity	237,276	235	171
Other energy sources used in operations (LPG and firewood)	544,654	-	-
<b>Total</b>	<b>782.579</b>	<b>235</b>	<b>171</b>

### Total energy consumed (GJ) **GRI 302-1**

	2022	2021	2020
Fuels from non-renewable sources	1,734	1,394	1,363
Fuels from renewable sources	494,208	-	-
Energy consumed	782.579	235	171
<b>Total</b>	<b>1,278,521</b>	<b>1,642</b>	<b>1,534</b>

\* LPG and firewood data were acquired from reports extracted by the inventory control area of SLC Agrícola. The electric power data was acquired from the BI with the data of SLC electric power headquarters from the management of the energy bills.

\*\*Conversions used were in accordance with the "Calculation Report" spreadsheet. [Link](#)

### Power management \* \*\* **SASB: FB-AG-130a.**

	2022
Operational energy consumed	854,249
Percentage of grid electricity	28%
Percentage of renewable energy	81%

\* The sum of energy from firewood, LPG, *diesel* and electricity from the farms was considered.

\*\* Several photovoltaic plants will be deployed on farms in 2023.



## Energy intensity\* \*\* GRI 302-3

	2022
<b>Specific metric (planted area)</b>	<b>675,321.41</b>
Consumption within the organization	854,898.74
Energy intensity (within the organization)	1.27

\* The types of energy included in the energy intensity rates were: fuel, electricity and heating. The conversions were performed as provided in the "Calculation Report" spreadsheet: <https://www.convert-me.com/pt/convert/energy/cmmsgas/cmmsgas-to-joule.html?u=cmmsgas&v=1> <https://www.cegas.com.br/gasnatural/>

\*\* The sum of energy from firewood, LPG, *diesel* and electricity from the farms and headquarters was considered.

## Reductions in energy consumption obtained as a result of improvements in conservation and efficiency (GJ)\* GRI 302-4

	2022
<i>Diesel</i> reduction	3,558.57

\* *Diesel* reduction in the irrigation operation at Piratini farm due to the use of hybrid self-generation, with base *diesel* generators and photovoltaic plant support, being an *off-grid* plant. Studies were carried out by the irrigation consultancy.

## Significant fines \* GRI 2-27

	2022
Monetary value of significant fines paid in the period of the year	173,553
Monetary value of significant fines received in the period of the year, which may be subject to appeal or not	
<b>Total</b>	<b>173,553</b>

\* Significant fines means those with a value greater than R\$100,000.00.

## Unit/Farm GRI 304-1

Unit/Farm	Planted Area (ha)	Position in Relation to UC	Characteristics of the UC relevance
Fazenda Planorte (MT)	31,716	Adjacent	Indigenous land, anthropized site
Fazenda Parceiro (BA)	11,083	Near	Located 5 kilometers from the Environmental Protection Area (APA) of Rio Preto and 9 kilometers from the Nascentes do Parnaíba National Park
Fazenda Palmares (BA)	24,203	Near	Part of its area is inserted in the APA of the Rio de Janeiro Basin and is located around the APA of Rio Preto
Fazenda Perdizes (MT)	26,427	Near	Located just under 10 km from the Indigenous Barge territory, Located just under 10 km from the Indigenous Barge territory, not yet approved by FUNAI (only declared)
Fazenda Planalto (MS)	22,594	Adjacent	Located near the Nascentes do Rio Taquari State Park and Emas National Park
Fazenda Pamplona (GO)	27,464	Near	Located just under 10 km from the Central Plateau APA
Fazenda Panorama (BA)	21,810	Near	Located just under 10 km from the APA of the Serra Geral de Goiás and the Terra Ronca State Park
Fazenda Próspera (MT)	30,793	Adjacent	Located near the indigenous territory Batelão, not yet approved by FUNAI (only declared)
Fazenda Piracema (MT)	23,914	Near	Located close (just under 8 km) to Paraguay River Springs APA and close (just under 3 km) to Santana indigenous territory
Fazenda Pirapora (MT)	20,724	Adjacent	Located near Santana indigenous territory and close (just over 9 km) to the Environmental Protection Area of Cuiabá River headwaters

1 - Most of our farms are far from Conservation Units or sites of major biodiversity importance. Only ten of them are close or adjacent to this type of area, following criteria defined by the legislation or the management plans of the units to avoid environmental impact.

2 - The information of the environmental protection areas and sites of major biodiversity importance were collected in the CIGeo system - Geographic Intelligence Center of SLC Agrícola, whose objective is to enable the sharing of spatial information and deliver applications and spatial analysis tools focused on the company's business, based on GIS (Geographic Information System) technology.



# Sustainability certifications

	ISO 9001	ISO 14001	ISO 45001	NBR 16001	RTRS SOYBEAN	RTRS CORN	BCI	ABR	ABR-UBA	3 S	UAAN	2BSvs	RENOVABIO
HEADQUARTERS (RS)	V	V	V	V									
PAIAGUÁS (MT)	V	V	V	V	V	V	V	V	V	V	V		
PALADINO (BA)							V	V	V				V
PALMARES (BA)		V	V	V	V	V	V	V	V		V		V
PALMEIRA (MA)											V		
PAMPEIRA (MT)					V		V	V				V	V
PAMPLONA (GO and MG)	V	V	V	V	V	V	V	V	V	V	V		
PANORAMA (BA)	V	V	V	V	V	V	V	V	V	V	V		
PANTANAL (MS)							V	V			V		
PARCEIRO (BA)			V	V			V	V					
PARNAGUÁ (PI)			V	V									
PARNAÍBA (MA)		V	V	V	V	V	V	V	V		V	V	
PAYSANDU (BA)							V	V	V				
PEJUÇARA (MT)							V	V					V
PERDIZES (MT)		V	V	V	V	V	V	V	V	V	V		
PIONEIRA (MT)		V	V	V	V	V				V		V	
PIRACEMA (MT)					V		V	V				V	V
PIRAPORA (MT)					V		V	V				V	V
PIRATINI (BA)											V		
PLANALTO (MS)	V	V	V	V	V	V	V	V	V	V	V	V	
PLANESTE (MA)	V	V	V	V	V	V	V	V	V	V	V	V	
PLANORTE (MT)	V	V	V	V	V	V	V	V	V	V	V		
PRÓSPERA (MT)					V		V	V				V	V



# Personnel management

## Our team

### Employees by employment contract and gender **GRI 2-7**

Type of contract	2022		
	Men	Women	Total
Permanent	3,476	559	4,035
Temporary	1,156	29	1,185
<b>Total</b>	<b>4,632</b>	<b>588</b>	<b>5,220</b>

### Employees by employment contract and region **GRI 2-7**

Region	2022		
	Permanent	Temporary	Total
Northeast	1,486	578	2,064
North			
Central-West	2,049	587	2,636
Southeast			
South	500	20	520
<b>Total</b>	<b>4,035</b>	<b>1,185</b>	<b>5,220</b>

### Employees by type of employment and gender **GRI 2-7**

Job Type	2022		
	Men	Women	Total
Fulltime job	4.632	588	4,035
Part-time job			
<b>Total</b>	<b>4.632</b>	<b>588</b>	<b>5.220</b>

### Employees by type of employment contract (full-time or part-time) and **GRI region 2-7**

Region	2022		
	Full-time	Part-time	Total
Northeast	2,064		2,064
North			
Central-West	2,636		2,636
Southeast			
South	520		520
<b>Total</b>	<b>5,220</b>		<b>5,220</b>

\* All employees are hired full-time.

### Employees by gender and region **GRI 2-7**

Region	2022		
	Men	Women	Total
Northeast	1,333	153	2,064
North			
Central-West	1,837	212	2,636
Southeast			
South	306	194	500
<b>Total</b>	<b>3,470</b>	<b>559</b>	<b>5,220</b>



## Employees without workload guarantee by gender and by region **GRI 2-7**

Region	2022		
	Men	Women	Total
Northeast	130	12	142
North			
Central-West	160	15	175
Southeast			
South	108	28	136
<b>Total</b>	<b>398</b>	<b>55</b>	<b>453</b>

## Workers by job category and gender **GRI 2-8**

	2022		
	Men	Women	Total
Apprentices	52	51	103
Trainees	42	32	74
<b>Total</b>	<b>94</b>	<b>83</b>	<b>177</b>

## Compensation **GRI 2-20**

The fixed and variable total annual compensation is defined by the company's Board of Directors, based on market analysis, and is adjusted annually according to the average collective adjustments applied in the production units, negotiated by individual or collective agreement. In addition, market research is carried out with consultancies specialized in executive compensation to keep the external balance and continue working attractively and competitively, considering that comparisons are made with companies of similar size.

The compensation policy of the Board of Directors, the Statutory Board, the Audit Committee and the committees aims to compensate the members in an attractive manner and in line with the best market practices, aiming at their retention, considering that they are strategic positions and their occupants are responsible for guiding the company. We also seek to compose the compensation of the Board of Executive Officers with short and long-term incentives, observing its performance, the performance of SLC Agrícola and the interests of shareholders.





## Percentage increase in total annual compensation **GRI 2-21**

	2022
Ratio of the highest compensation paid and the average annual total compensation for all employees (except highest paid individual)	61.75

\* To set the compensations above, all amounts of employees' income were considered, added from January to December 2022.

\*\* Occupants of the positions of intern and apprentice, as well as employees under long-term leave are excluded from the sample.

## Variation between the lowest wage and the minimum wage, by gender (R\$) **GRI 202-1**

Operating unit	2022		2021		2020	
	Men	Women	Men	Women	Men	Women
Lowest salary paid by the organization	1,349	1,349	1,230	1,230	1,160	1,160
Minimum wage determined by legislation or union *	1,326	1,326	1,100	1,100	1,045	1,045
Percentage ratio (%)	101,7	101,7	111.8	111.8	111	111

\* Minimum wage in the state of Goiás in 2022.

## Training and capacity building

### Average hours of training per employee by gender **GRI 404-1**

	2022	2021	2020
Men	52	52	36
Women	35	44	28
<b>Total</b>	<b>51</b>	<b>52</b>	<b>35</b>

### Average hours of training per employees and workers by employee category **GRI 404-1**

	2022	2021	2020
<b>Employees</b>			
Board of Executive Officers	117	59	27
Management	109	114	49
Coordination	78	85	61
Administrative	36	44	32
Operational	48	45	38
<i>Trainee</i>	116	139	77
<b>Total</b>	<b>51</b>	<b>49</b>	<b>38</b>
<b>Workers</b>			
Apprentices	1	-	-
Trainees	65	78	63
<b>Total</b>	<b>25</b>	<b>-</b>	<b>-</b>





## Diversity and inclusion

### Individuals within the governing bodies of the organization, by gender (%) GRI 405-1

	Men	Women	Total
2022	92.3%	7.6%	100%
2021	88.4%	11.6%	100%

### Individuals within the governance bodies of the organization, age group (%) GRI 405-1

	Under 30	From 30 to 50 years	Over 50 years	Total
2022	0%	7.6%	92.3%	100%
2021	22.8%	72.3%	5.0%	100%

### Employees, by job category and gender (%) GRI 405-1

	2022	
	Men	Women
Board of Executive Officers	100	
Management	95.65	4.35
Coordination	88.17	11.83
Administrative	59.77	40.23
Operational	92.18	7.82
Trainee	59.26	40.74
<b>Total</b>	<b>86.15</b>	<b>13.85</b>

### Employees, by job category and gender (%) GRI 405-1

	2022	
	Men	Women
Apprentices	50.49	49.51
Trainees	56.76	43.24
<b>Total</b>	<b>53.11</b>	<b>46.89</b>



## Employees, by job category and age group (%) GRI 405-1

	2022		
	Under 30	Between 30 and 50 years old	Over 50 years
Board of Executive Officers	0.00	33.33	66.67
Management	0.00	95.65	4.35
Coordination	22.54	70.70	6.76
Administrative	40.38	55.83	3.79
Operational	33.31	55.78	10.91
<i>Trainee</i>	59.26	40.74	0.00
<b>Total</b>	<b>33.40</b>	<b>57.58</b>	<b>9.69</b>

## Employees in underrepresented groups, by job category (%) GRI 405-1

	2022	
	Black and brown	PcDs
Board of Executive Officers	0.00	0.00
Management	17.39	0.00
Coordination	40.28	0.85
Administrative	39.80	3.74
Operational	73.28	0.00
<b>Total</b>	<b>63.44</b>	<b>3.44</b>

## Workers, by job category and age group (%) GRI 405-1

	2022		
	Under 30	Between 30 and 50 years old	Over 50 years
Apprentices	99.03	0.97	0.00
Trainees	91.89	8.11	0.00
<b>Total</b>	<b>91.18</b>	<b>8.82</b>	<b>0.00</b>



## Workers in under represented groups, by job category (%)

### GRI 405-1

	2022	
	Black and brown	PcDs
Apprentices	77.67	2.91
Trainees	54.05	0.00
<b>Total</b>	<b>67.80</b>	<b>1.7</b>

## Ratio of basic wage and pay between women and men – by functional category GRI

### 405-2

	2022		2021		2020	
	Base salary	Remuneration	Base salary	Remuneration	Base salary	Remuneration
Board of Executive Officers						
Management	86%	87%	98.3%	95.2%	94.6%	86.5%
Coordination	112%	114%	94.7%	82.6%	85.1%	105.9%
Administrative	75%	72%	100.0%	100.0%	100.0%	100.0%
Operational	80%	68%	100.0%	100.0%	100.0%	100.0%
<i>Trainees</i>	100%	141%	-	-	-	-

## Maternity/paternity leave GRI 401-3

	2022	
Employees who were entitled to take leave	men	4,632
	women	588
Employees who took leave	men	180
	women	53
Employees who returned to work, in the reporting period, after the end of the leave	men	178
	women	49
Employees who returned to work after leave and continued to be employed 12 months after returning to work	men	70
	women	7
Return rate	men	1
	women	1
Retention rate	men	0.64
	women	0.44



## Hiring and turnover

### New hires by age group GRI 401-1

	2022		2021		2020	
	No.	Percentage	No.	Percentage	No.	Rate
Under 30	483	36.0%	400	42.1%	309	31.3%
From 30 to 50 years	397	17.0%	249	15.4%	204	13.8%
Over 50 years	33	9.0%	15	6.0%	15	8.0%
<b>Total</b>	<b>913</b>	<b>23.0%</b>	<b>664</b>	<b>23.6%</b>	<b>528</b>	<b>20.0</b>

### New hires by gender GRI 401-1

	2022		2021		2020	
	No.	Percentage	No.	Percentage	No.	Rate
Men	737	21.0%	531	22.0%	430	18.3%
Women	176	31.0%	133	33.8%	98	26.6%
<b>Total</b>	<b>913</b>	<b>23.0%</b>	<b>664</b>	<b>23.6%</b>	<b>528</b>	<b>19.8%</b>

### Turnover by gender GRI 401-1

	2022		2021		2020	
	No.	Percentage	No.	Percentage	No.	Rate
Men	589	17.0%	371	15.3%	348	14.8%
Women	125	22.4%	76	19.3%	65	17.6%
<b>Total</b>	<b>714</b>	<b>17.7%</b>	<b>664</b>	<b>15.9%</b>	<b>413</b>	<b>15.5%</b>

### New hires by region GRI 401-1

	2022		2021		2020	
	No.	Percentage	No.	Percentage	No.	Rate
Northeast	332	22.0%	241	20.1%	196	17.3%
Centro-Oeste	461	22.0%	305	24.3%	233	19.6%
South	120	24.0%	118	33.1%	99	29.6%
<b>Total</b>	<b>913</b>	<b>23.0%</b>	<b>664</b>	<b>23.6%</b>	<b>528</b>	<b>19.8%</b>

### Turnover by age group GRI 401-1

	2022		2021		2020	
	No.	Percentage	No.	Percentage	No.	Rate
Under 30	354	26.3%	203	21.4%	174	17.6%
From 30 to 50 years	329	14.2%	221	13.7%	219	14.8%
Over 50 years	31	8.4%	23	9.2%	20	10.4%
<b>Total</b>	<b>714</b>	<b>17.7%</b>	<b>664</b>	<b>16.0%</b>	<b>413</b>	<b>15.5%</b>

### Turnover by region GRI 401-1

	2022		2021		2020	
	No.	Percentage	No.	Percentage	No.	Rate
Northeast	268	18.0%	174	14.5%	173	15.2%
Centro-Oeste	372	18.2%	231	18.4%	197	16.6%
South	74	15.0%	42	11.8%	43	12.8%
<b>Total</b>	<b>714</b>	<b>17.7%</b>	<b>664</b>	<b>15.9%</b>	<b>413</b>	<b>15.5%</b>

\* Hiring rate = number of employees hired in the category/average headcount of the category in the year.



## Governance, ethics and compliance

### Employees who were reported and trained in anti-corruption policies and procedures, by region **GRI 205-2**

Region	Employees	2022		2021
		Communicated	Trained	Trained
Northeast	number	1,558	1,354	585
	%	100%	87	45
Central-West	number	2,127	1,504	660
	%	100	71	35
South	number	527	443	434
	%	100	85	66
<b>Total</b>	<b>number</b>	<b>4,212</b>	<b>3,301</b>	<b>1,679</b>
	<b>%</b>	<b>100</b>	<b>78.5</b>	<b>44</b>

### Employees who were reported and trained in anti-corruption policies and procedures, by job category **GRI 205-2**

Categories	Employees	2022	
		Announcements	Trained
Board of Executive Officers	number	6	
	%	100	
Management	number	46	37
	%	100	80
Coordination	number	355	320
	%	100	90
Administrative	number	686	624
	%	100	91
Operational	number	2,915	2,294
	%	100	79
Trainee	number	27	26
	%	100	96
<b>Total</b>	<b>number</b>	<b>4,035</b>	<b>3,301</b>
	<b>%</b>	<b>100</b>	<b>82</b>



## Employees who were reported and trained in anti-corruption policies and procedures, by job category **GRI 205-2**

		2022
		Announcements Trained
Apprentices	number	103
	%	100
Trainees	number	74
	%	100
Total	number	177
	%	100

All employees of the company are considered informed, since the different forms of institutional communication cover 100% of the internal public. Trained employees shall mean those who have completed the *e-learning* of the Code of Ethics and Conduct. There is no monthly monitoring for trainees and apprentices. Thus, the number of trainees is not included.





## ASSURANCE STATEMENT

### STATEMENT BY SGS DO BRASIL LTDA. (SGS) REGARDING THE SUSTAINABILITY ACTIVITIES PROVIDED IN “INTEGRATED REPORT 2022” FROM SLC AGRÍCOLA S.A.

#### NATURE AND SCOPE OF ASSURANCE

The SGS was hired by SLC AGRÍCOLA S.A. to carry out the third-party assurance of its Integrated Report, which provides information for the year 2022 and that follows international guidelines for monitoring and reporting sustainability information, including the Global Reporting Initiative (GRI). The scope of assurance, based on the methodology for assurance sustainability reports from SGS, included the text and data related to GRI Standards 2021, current version of GRI.

The information provided in “INTEGRATED REPORT 2022” and its presentation is a sole responsibility of SLC AGRÍCOLA S.A. management structure. The SGS is not involved in the preparation of any material, including the in the said report, such as risk analysis, materiality tests and other critical issues that may affect severally the SLC AGRÍCOLA S.A. business. We are liable for giving our opinion of the GRI disclosures and their texting, data, charts, and statement within the assurance scope in order to keep the SLC AGRÍCOLA S.A. stakeholders informed.

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

This report was assured considering our protocols to assess the content authenticity and its alignment with the requirements of GRI Sustainability Reporting Standards 2021, Universal Standards (*GRI 1\_ Foundation 2021, GRI 2\_ General Disclosures 2021, GRI 3\_ Material Topics 2021*) and the requirements of Topic Standards (GRI 200, GRI 300 and GRI 400) according to the material topics identified by SLC AGRÍCOLA S.A. through the process described in this report.

The assurance process comprised (i) interviews with strategic employees involved in the process of compilation and preparation of the report, where disclosures, data and processes related to sustainability management and the collection of GRI disclosures were reviewed, (ii) review of the documentation presented by SLC AGRÍCOLA S.A. and comparison with the information entered by the company in the report and (iii) evaluation of versions of this report for alignment with GRI standards and (iv) analysis of engagement activities with defined parties (stakeholders) and assessment of the form of sustainability as defined materials were and inserted in the context of the organization and in the content of this sustainability report. The accounting information of SLC AGRÍCOLA S.A. contained and referenced in the “INTEGRATED REPORT 2022” was not evaluated as part of this assurance process, but in a separate audit process. The information related to the inventory of greenhouse gases was verified and went through a specific audit process.

#### IMPARTIALITY AND COMPETENCE STATEMENT

The SGS Group is global lead in inspection, analysis and verifications services, operating in more than 140 countries and rendering services that includes management system certification, audits and trainings on quality, environmental, social and ethic segments, sustainability assurance reports and greenhouse gases verification. The SGS attests your independence against SLC AGRÍCOLA S.A. stating that is exempt from interest conflict with the organization, their subsidiary and stakeholders.



## ASSURANCE STATEMENT

The assurance team was composed according to members' expertise, experience and competence for this activity, the team is composed of:

- An Audit Lead on Assurance of Sustainability Report, a Lead auditor on Socioenvironmental programs, Lead Auditor in Integrated Management Systems, Lead Assessor of Greenhouse Gases (GHG) and Lead auditor on Renovabio program.

### ASSURANCE OPINION

Regarding the verification carried out in the methodology, processes and data presented by SLC AGRÍCOLA S.A., we are confident that the information and data contained in the "INTEGRATED REPORT 2022" are reliable and a balanced representation of the sustainability activities developed by SLC AGRÍCOLA S.A. in the base year 2022. The SGS has the opinion that the report can be used by the company's stakeholders as part of its company evaluation processes.

In our opinion, based on what was verified and on the materials presented by SLC AGRÍCOLA S.A., the content of the report fully meets the requirements of the GRI Standards, which are: apply the reporting principles, report the disclosures in GRI 2: General Disclosures 2021, determine material topics, report the disclosures in GRI 3: Material Topics 2021, report disclosures from the GRI Topic Standards for each material topic, provide reasons for omission for disclosures and requirements that the organization cannot comply with, publish a GRI content index, provide a statement of use and after publication notify GRI.

### RECOMMENDATIONS, FINDINGS AND CONCLUSIONS OF ASSURANCE

- The Report of SLC AGRÍCOLA S.A., "INTEGRATED REPORT 2022" is aligned with GRI Standards 2021, and also with the requirements of the Topic-specific Standards (GRI 200, GRI 300 and GRI 400).
- SLC AGRÍCOLA S.A. presents its Report with 10 material topics: 1. Climate Change; 2. Environmental Management System; 3. Socioeconomic Impacts; 4. People Development; 5. Diversity and Inclusion; 6. Health and Safety; 7. Product Certifications and Traceability; 8. Ethics and Compliance; 9. Innovation and Productivity; 10. Risk Management. In our view, the material topics reflect the impacts of SLC AGRÍCOLA S.A. activities in a balanced manner, and the report covers information on all topics considered as materials for the sector and stakeholders, according to GRI 3: Material Topics 2021.
- Regarding the partial publication of information related to disclosures, disclosures 2-21 - Annual total compensation ratio, 205-2 - Communication and training about anti-corruption policies and procedures and 404-2 - Programs for upgrading employee skills and transition assistance programs are partially reported.





## ASSURANCE STATEMENT

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

March 31, 2023

Executed by and on behalf of SGS.

**Gustavo Venda**  
Business Manager - Sustainability

**Mariana de Oliveira Klein**  
Lead Auditor for Sustainability Report



# Corporate credits and information

## SLC Agrícola Coordination

HR, Communication, Investor Relations and Sustainability Teams of SLC Agrícola

## Writing, GRI, SASB and TCFD consulting, project management, design and layout

grupo report - rpt.sustentabilidade  
gruporeport.com.br

## Photos

SLC Agrícola Collection

## Review

Catalisando Conteúdo

## Translation

MS Tradução Juramentada e Técnica

