RAÍZEN S.A.
Publicly Held Company Category A
Corporate Taxpayer ID (CNPJ/ME): 33.453.598/0001-23
Company Registry (NIRE): 33300298673

NOTICE TO THE MARKET

LONG TERM AGREEMENT OF SECOND-GENERATION ETHANOL ("E2G") WITH MINIMUM REVENUE OF EUR3.3 BILLION AND INVESTMENT PROGRAM OF 5 NEW PLANTS

RAÍZEN S.A. (B3: RAIZ4) ("Raízen" or "Company") informs its shareholders and the market in general that, in line with its strategy of providing advanced solutions to contribute to a low-carbon economy, it signed on this date **an agreement to supply second generation cellulosic ethanol ("E2G") produced from sugarcane biomass, until 2037** to Shell Trading Rotterdam B. V. ("Shell") ("Agreement"), aligned with the Investment Program for the construction of 5 new E2G plants, totaling R$6 billion of CAPEX.

Premises of the Agreement

The Agreement between the parties establishes the **supply 3.3 billion liters** (3.3 million m^3) of E2G that **will be produced in 5 new plants with an expectation to start operations between 2025 and 2027.** Such plants will be fully integrated to Raízen's Bioenergy Parks. Shell will receive the ethanol produced by these five new plants for the first 10 years of operation of each plant, with supply guaranteed until 2037.

Considering the minimum price defined, the **revenue from sales under this Agreement will be equivalent to at least EUR3.3 billion**, **ensuring a predictable and robust level of returns** in line with the Company's business plan. The Agreement also establishes a price adjustment linked to the E2G spot price at the time of supply of the product. As such, if the market price is above the minimum price established, the premium will be divided between the parties.

The Company expects an **EBITDA Margin of approximately 50% (fifty percent),** while maintenance CAPEX is estimated around R$50 million per plant/year, yielding a robust cash flow.

Moreover, with the evolution of technology and potential reduction in carbon footprint related to the production of the biofuel, Raízen may benefit from an additional premium to be established according to existing regulations in the markets involved. Those regulations, such as Renewable Fuel Standard in USA and the Renewable Energy Directive in European Union, already classify E2G as an advanced product since (i) it uses sugarcane waste as a feedstock, (ii) does not compete with food production and (iii) represent a low carbon footprint solution. E2G reduces greenhouse gas emissions[1] by around

80% compared to gasoline, approximately 70% compared to U.S. corn ethanol and about 30% compared to first generation sugarcane ethanol[1].

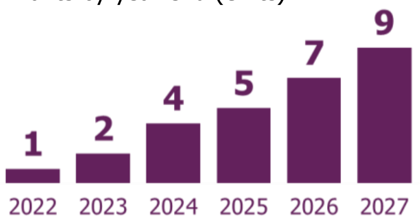
The evaluation of the terms and conditions of this Agreement has followed strictly the Conflict of Interest Management and Related Party Transactions Policy.

Investments and Operating Capacity

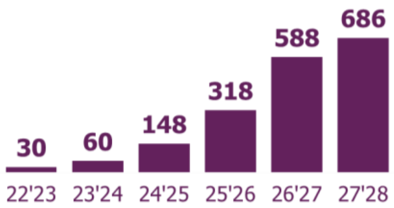
To perform this Agreement, Raízen will build 5 new plants between 2023 and 2027. Each plant will take up to 22 months to be operational at a CAPEX of approximately R$1.2 billion per plant, for a total of R$6.0 billion (in real terms).

Note that Raízen is already operating 1 commercial scale plant and building another 3 plants, which should start its operations by 2023. The startup schedule of **plants already contracted and announced** to date is as follows:

Estimated number of Operational Plants by year end (Units)



Production Capacity by crop year ('000 m³)



Investments will be funded by the proceeds from Raízen's IPO and from business cash generation, combined with an optimized capital structure.

Raízen reaffirms its plan to have 20 E2G plants by crop year 2030'31, with an installed production capacity of approximately 1.6 million m³/year.

Differentiated and Unique Portfolio

Raízen currently operates the world's largest E2G plant at the Costa Pinto Bioenergy Park, which should achieve record production of 30,000 m³ in the 2022'23 crop year. With a proven proprietary technology, the Company will consolidate its position as the world's largest producer and seller of cellulosic ethanol, commercializing most of it under long-term agreements. In its operating model, the Company uses the residues and waste of sugarcane biomass processed at its Bioenergy Parks, expanding the biofuel production capacity in about 50%, without any additional planted area.

---

[1] *Raízen, audited by Pwc.*

This Agreement, in addition to the other existing ones, expands **Raízen's E2G backlog of contracts to a minimum of EUR4.3 billion**[2]. This portfolio is equivalent to 4.3 million m³ of E2G already sold under long-term contracts. If that total volume would displace the use of Gasoline in the transport sector, it avoids emission of around 6.6 million tons of CO2 or the equivalent to the carbon equivalent of a tropical forest three times the size of the city of Paris, France. The same volume of E2G, if used for Sustainable Aviation Fuel (SAF) production, would avoid the consumption of 2.6 million m³ of fossil aviation fuel, consequently the emission of 5.2 million tons of CO_2 in a hard-to-abate sector where there are no other technological alternatives available[3].

The credibility earned by the Company for its **technology, operating capacity, and development of the ethanol market** is instrumental to facilitate our clients' efforts towards meeting their decarbonization goals and underscores Raízen's leadership in global energy transition through biofuels combined with effective value creation.

São Paulo, November 7, 2022.

Carlos Alberto Bezerra de Moura
Chief Financial and Investor Relations Officer

---

[2] *Net Revenue, considering the minimum price established in agreements.*
[3] *Calculation of avoided emissions considering the difference between the life cycle emission of the ISCC certified E2G and the carbon footprint of Gasoline according to the EU Renewable Energy Directive.*