

2020 Progress Report

**COMMITMENT "TOWARDS A
DEFORESTATION AND NATIVE VEGETATION
CONVERSION FREE GRAIN CHAIN"**

September 2021

WORD FROM The CEO

JUDINEY CARVALHO DE SOUZA - CEO



Next year, AMAGGI completes 45 years of activities. Along this journey, the company has been reinventing itself both in how it does business and in how it relates to its various audiences. But some things did not change: respect for people and the places where it is present - something that comes from the company's core values.

Today, 3 letters have stood out among companies that are concerned with their perpetuity:

ESG (Environmental, Social and Governance). However, these letters need to be accompanied by an integrated vision of the business for them to materialize; and it is precisely because we know AMAGGI's values that we know of the dedication required for actions aimed at building the future.

Technology, willingness to undertake, market leadership, vision of the future. These are some of the factors that have contributed to our position as protagonists of a business model which requires permanent dialogue with government agencies, companies, financial institutions, NGOs and society in general.

Transparency is essential for a healthy working environment inside and outside organizations. And it is for this reason that we have made our actions public. This **Progress Report** is another step into this direction, where we present our efforts and results in the constant search for a harmonious relationship between our business, the environment and people.

In its 3rd edition, this commitment maintains the title **"Towards a Deforestation-Free Grain Chain and Native Vegetation Conversion"**, providing in-depth information on the topic and revealing the evolution that AMAGGI has been experiencing over the years, after the participation at so many boards for discussions and learning.

I believe this is a natural path for a company that was born from the entrepreneurial vision of simple people connected to the countryside, but which grew without disconnecting itself from its roots. Today, we are the largest grain and fiber company in Brazil, with over 7,000 employees in 7 countries, world leaders in the commercialization of sustainable soy and recognized for its socio-environmental performance by the main rankings in the sector, such as the CDP Forest and the Forest 500.

These are achievements only possible with dialogue, partnership and a lot of work!

Enjoy.

ABOUT AMAGGI

Founded in 1977, AMAGGI operates in an integrated, sustainable and synergistic manner throughout the grain and fiber chain, with: grains and inputs marketing and origination, grain processing, port operations, road and river transport, agricultural production and generation and electricity commercialization. AMAGGI is present in all regions in Brazil and develops its activities through 4 business area - Agro, Commodities, Logistics and Operations and Energy, in addition to maintaining offices and units in different countries: Argentina, Paraguay, Holland, Norway, Switzerland and China. It carries out its private social investment through the André and Lúcia Maggi Foundation.

AMONG THE 2020 HIGHLIGHTS AND NUMBERS, WE CAN MENTION:

+ 7,700 employees in Brazil and abroad

10 company-owned agricultural production units in Mato Grosso (MT)

137 thousand hectares of preserved areas, including Legal Reserve (RL), Permanent Preservation Areas (APPs) and forest surpluses

100% of the volume produced at AMAGGI owned farms is zero deforestation after 2008 and certified in socio-environmental standards

Carbon Footprint of soy, corn and cotton produced by AMAGGI is benchmarked and verified by a 3rd party

2 company-owned reforestation farms

22 Storage Units in the Mato Grosso (MT), Roraima (RO) and Amazonas (AM) states



In 2021, AMAGGI completed the 'O Telhar' Agro group acquisition. During the purchasing process, the sustainability area played an important role in conducting Due Diligence, evaluating socio-environmental issues, maintaining its commitment to having agricultural operations free from deforestation and conversion since 2008, among other company criteria.

For the next Progress Report, referring to 2021, AMAGGI will integrate the new farms in the report.

3 Soybean Crushing Units located in MT, AM and Norway

3 port terminals in RO and AM

4 Small Hydroelectric Plants (SHPs) and 4 Hydroelectric Generating Plants (HGP), installed in Mato Grosso, which generate renewable energy for AMAGGI operations in the state

Over BRL 3.3 million paid in awards to RTRS certified suppliers

Start of construction work on the biodiesel plant in Mato Grosso

Launch of the 1st Sustainability Bond in January 2021 (USD 750 million), well received by investors aware of environmental, social and governance (ESG) criteria.



FORESTS

CDP Forest: For the second consecutive year, AMAGGI was one of only 2 companies in Brazil to be classified as Leader (Leadership category), with an A- score in the CDP Forest, the only one in the agricultural sector, proving that it is possible to combine agricultural production in Brazil with forest conservation.



Forest 500: third place in best practices among companies worldwide. The world ranking annually assesses the 500 most influential companies and financial institutions in forest risk supply chains on the implementation of their voluntary commitments and policies to address deforestation, including the Progress Report.

ABOUT our new commitment

“Towards a Deforestation and Native Vegetation Conversion Free Grain Chain” – 2021 version

In 2017, AMAGGI launched its Global Sustainability Positioning, in which the company already assumed the commitment “Towards a Deforestation Free Chain”. In 2019, the company updated this commitment, naming it “Towards Deforestation and Conversion of Native Vegetation Free Grain Chain”, seeking to provide more transparency on the company’s ambitions.

In September 2021, AMAGGI launched the newest version of this same commitment “Towards a Deforestation and Native Vegetation Conversion Free Grain Chain”, after deepening and understanding the greatest challenges of the value chain, starting to meet new recommendations from the market and its stakeholders.

The new commitment reflects AMAGGI’s maturity to achieve business sustainability and an ethical chain, with commitments related to forests, traceability, climate, agriculture, human rights, in addition to global goals which address the biggest challenges of agribusiness sustainability today.



Commitment to non-deforestation and conversion of native vegetation



Commitment to legal compliance and an ethical and sustainable supply chain



Commitment to regenerative and low-carbon agriculture



Commitment to respecting and promoting Human Rights

For all its commitments, AMAGGI defines performance targets and indicators, as well as a means of implementation, monitoring and transparency of results.

Thus, for the next progress report regarding the company’s actions taken in 2021, accountability will be based on the new commitment, goals and implementation structure.



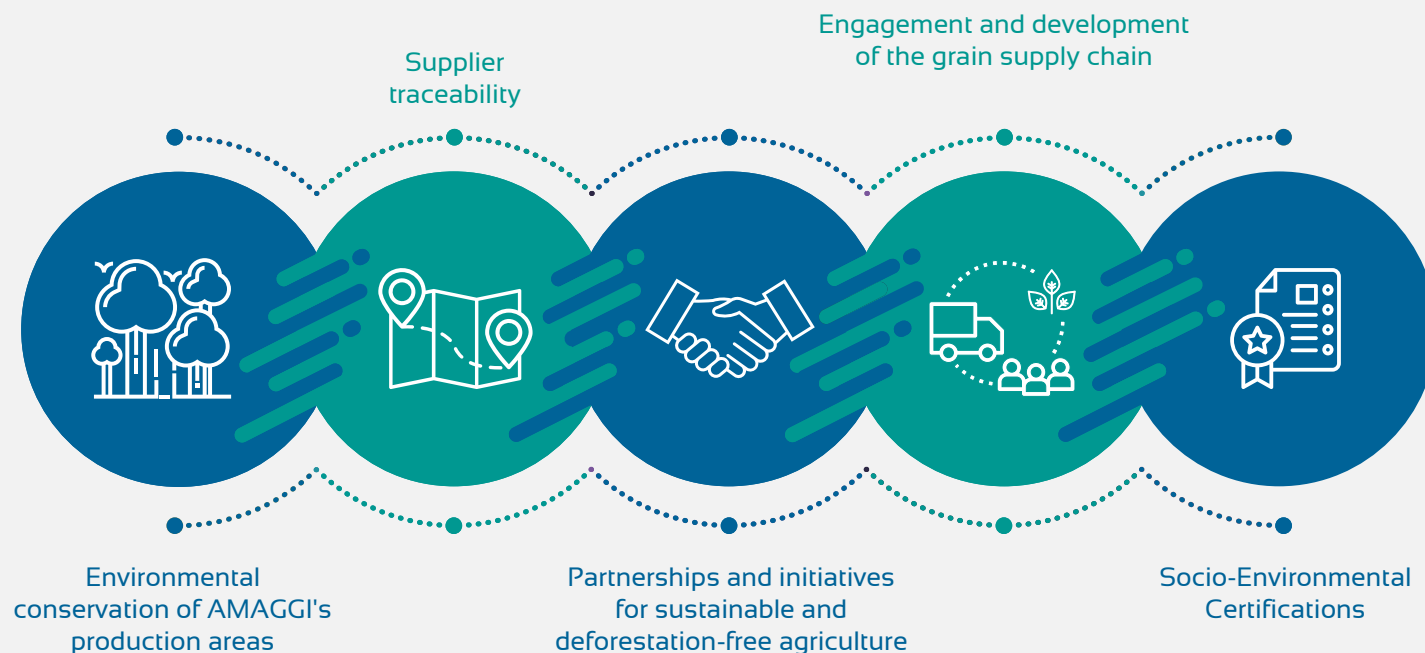
Learn about AMAGGI’s commitment “Towards a Deforestation and Native Vegetation Conversion Free Grain Chain” in full at:
<https://www.amaggi.com.br/en/interna/innovative-and-sustainable-performance/towards-a-chain-free-of-deforestation-and-conversion-of-native-vegetation/>

ABOUT THE PROGRESS REPORT

and Third-Party Checks

In order to respond to society and stakeholders demands in a transparent manner, AMAGGI publishes annually a Progress Report related to the company's commitment "Towards Deforestation and Conversion of Native Vegetation Free Grain Chain" - 2019 version, this is the company's 3rd report and refers to the 2020/21 harvest results.

The 2020 Progress Report has the same accountability structure as the previous year, divided into 5 implementation fronts, capable of explaining how AMAGGI manages to obtain its results for a deforestation and conversion of native vegetation free grain chain.



Compliance verification by AMAGGI's socio-environmental management (GSA) - composed of a set of activities that aim to prevent and minimize possible negative social and environmental impacts related to the company's activities, products and services - is annually guaranteed by an independent audit.

Additionally, in 2020, AMAGGI was invited by the Imaflora Institute to take part in a pilot project to verify the commitment to deforestation and conversion according to Accountability Framework Initiative (AFi) guidelines. This pilot evaluated AMAGGI's commitment, as well as the process of monitoring and reporting information disclosed by the company, allowing for **a better third-party view of the company on existing opportunities for improvement and strengths it needs to maintain.**

"Amaggi took an important step by accepting Imaflora's invitation to test a Verification and Audit Benchmark, based on the principles of the Accountability Framework Initiative and which provide guidelines for companies to report their progress against corporate commitments to eliminate deforestation in their supply chains in both the Amazo and the Cerrado Biomes. Increasing company transparency is essential and actions in this regard should be expanded and serve as an inspiration for other companies in the soy sector."

ISABEL GARCIA-DRIGO – Imaflora Climate and Agricultural Chains Manager

In addition to annually publishing its results through the Progress Report, the company maintains an open channel for complaints and recommendations to all interested parties, which can be accessed on its website: : <https://www.amaggi.com.br/en/reporting-channel/>

AMAGGI'S GRAIN Marketing Scope

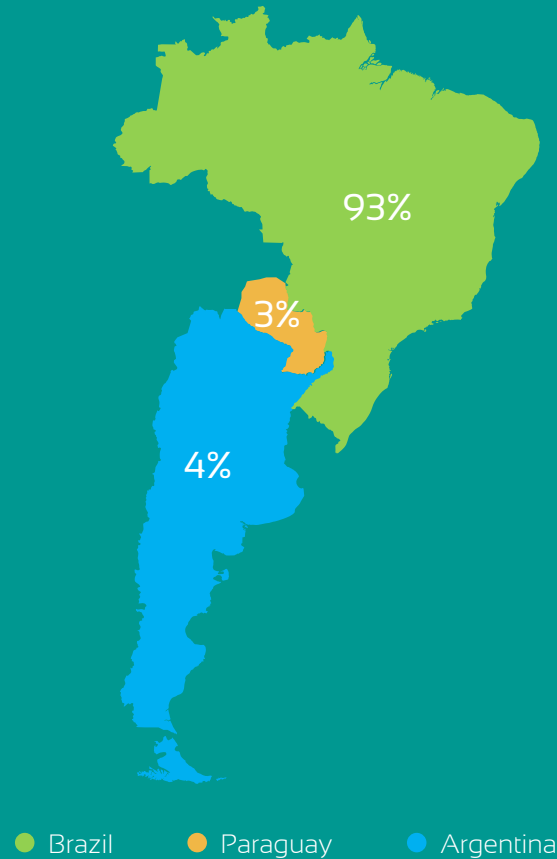
The grains that AMAGGI sells on the market originate from its own farms, all located in the State of Mato Grosso in Brazil, from the origination of grains from rural producers located in several regions in Brazil, in addition to Paraguay and Argentina.

In this scenario, AMAGGI's largest volume comes from purchasing grain from its suppliers, hence the importance of having a clear position on the company's performance and commitment to its value chain, in addition to its own units.

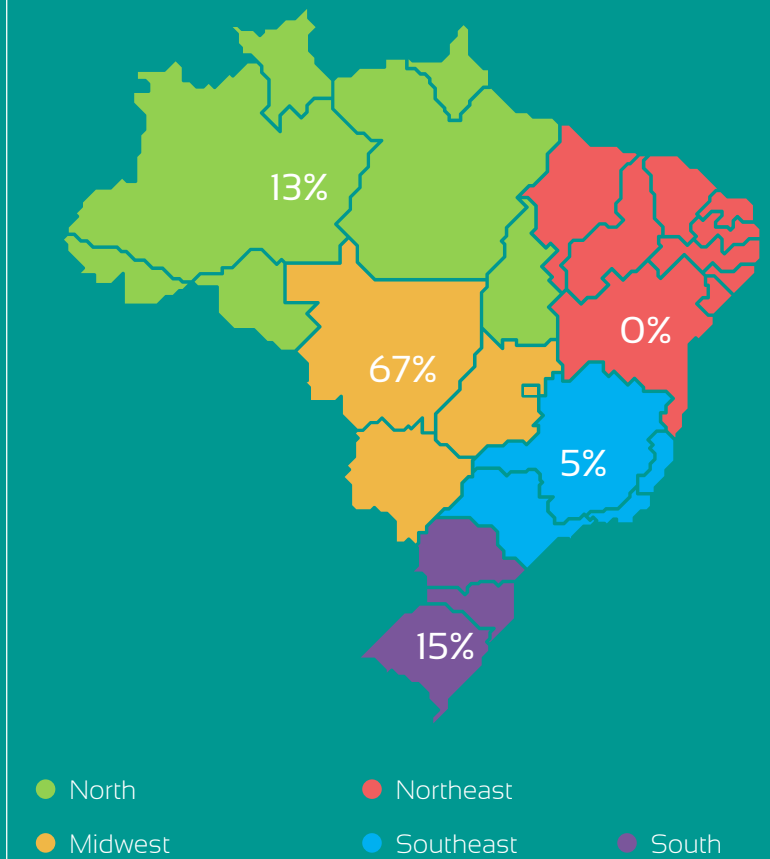
5%
AMAGGI Production

95%
Suppliers

VOLUME ORIGINATED BY AMAGGI Suppliers



VOLUME BY AMAGGI IN BRAZIL Soy origination per region until 23.08.21



VOLUME BY AMAGGI IN BRAZIL: Soy origination per biome - 2020/21 harvest



39%
Amazon



41%
Cerrado



20%
Other Biomes

PRIORITY ACTION

Priority Jurisdictions

In order to achieve its commitment “Towards Deforestation and Conversion of Native Vegetation Free Grain Chain”, AMAGGI works to focus its efforts and prioritize actions on activities and/or regions which represent the greatest risk and opportunity to generate a positive impact, considering parameters such as:

- Locations where AMAGGI is present, and which represent greater importance for business maintenance and expansion
- Places of greatest risk of deforestation and conversion, considering the history of conversion rates from native areas to agricultural use and green areas threatened by grain cultivation expansion.

With its highest percentage of sales coming from Brazil, from several regions except the Northeast, AMAGGI decided to prioritize its operations primarily in this country.

In its first progress report, referring to 2018, AMAGGI had adopted 25 most critical municipalities from the standpoint of deforestation and conversion. In 2019, the prioritization concept was expanded, starting to look at the 2 most relevant jurisdictions for the company, both in terms of volume and risk of deforestation and loss of biodiversity.

In this sense, in 2019, AMAGGI focused its activities on the municipalities, belonging to the Amazon biome and the State of Mato Grosso. The Amazon biome had been prioritized for its relevance in terms of origination and, above all, for the importance of protecting this biome for biodiversity and climate challenges. Mato Grosso – located in a transitional region between the Amazon and the Cerrado was listed for being the company’s largest operating state in terms of originated volume that present risks of deforestation and conversion in areas not yet consolidated. Together, these priority jurisdictions represented in 2019 circa 75% of the total volume traded by AMAGGI in Brazil.

Now, for 2020 Progress Report, AMAGGI is again expanding its operational area, in addition to the entire Amazon biome and the State of Mato Grosso, the states of Mato Grosso do Sul and Goiás are now included in the priority regions, the Report thus covering 100% of the entire region where the company operates in the Amazon and Cerrado biomes.

These priority jurisdictions (Amazon and Cerrado) represent 80% of the total volume of soy originated by the company in Brazil – over 5,300 monitored properties – a figure 30% higher compared to the previous year.

The other 20% origination in Brazil is in already consolidated regions, with low or no risk of deforestation and conversion, considering the South (15%) and Southeast (5%) regions.

MONITORED AREAS	2021	2020	20-21 EVOLUTION (%)
Numbers of properties tracked and monitored	5.322	4.100	30%
Numbers of tracked and monitored CARs (Rural Environmental Registry)	15.251	11.600	31%
Total monitored area (ha)	15.300.000	13.170.000	16%
Monitored Native Vegetation Area (ha)	5.931.000	4.980.000	19%

AMAGGI's goal is to continuously expand supplier monitoring, regardless of location, inside and outside Brazil, incorporating, by 2025, 100% of the locations where it operates, in line with the company's new commitment “Towards a Free Chain of Deforestation and Conversion of Native Vegetation” – version 2021.

OVERVIEW

of the Brazilian Amazon and Cerrado Biomes

Considering that the Amazon and Cerrado are currently the 2 priority biomes for AMAGGI – both for the volume produced and originated, and for the importance of conservation, below is an overview of these regions, using public studies as a reference.

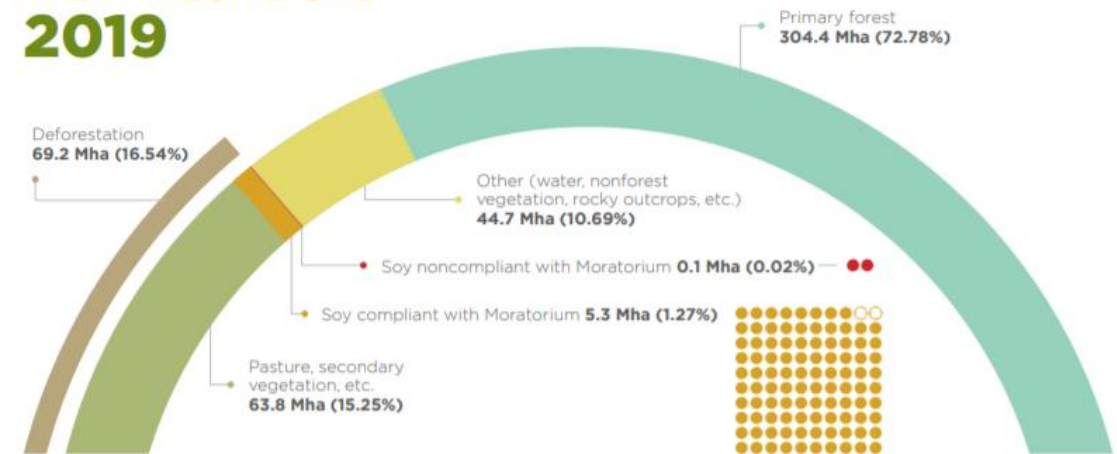
Amazon Biome



The Amazon biome is the largest and richest in biodiversity in Brazil, covering nine states (Pará, Amazonas, Amapá, Acre, Rondônia and Roraima and some parts of Maranhão, Tocantins and Mato Grosso). According to the Soy Moratorium's latest report- referring to the 2019/20 harvest, published annually by Agrosatélite (company responsible for monitoring soy plantations non-compliant with the criteria of the sectoral commitment), since the beginning of the Moratorium, the cultivated area with soy in the Amazon biome more than quadrupled, from 1.14 million hectares in the 2005/06 harvest (before the Moratorium) to 5.41 million hectares in the 2019/20 harvest. This survey also reveals that the area planted with soybeans in disagreement with the moratorium in the 2019/20 harvest is 107,600 hectares, which corresponds to 2.0% of the total planted with the oilseed.

The numbers show that the Moratorium did not curb the expansion of soy in the Amazon biome, but favored its development without primary forest conversion, reconciling agricultural development with environmental preservation - the expansion took place mostly over pasture areas from deforestation prior to the Moratorium. To access the full report please click here: <https://abiove.org.br/relatorios/>

LAND USE AND LAND COVER IN THE AMAZON BIOME 2019



Source: Agrosatélite – Soy Moratorium monitoring report - 2019/20 harvest

AMAGGI is one of the Soy Moratorium's signatory companies and can affirm that it does not sell soybeans from areas deforested after 2008, in the Amazon biome, whether they are legally or illegally opened. This commitment is confirmed through annual audits by a third party and AMAGGI has always achieved 100% compliance.

OVERVIEW

of the Brazilian Amazon and Cerrado Biomes

Considering that the Amazon and Cerrado are currently the 2 priority biomes for AMAGGI – both for the volume produced and originated, and for the importance of conservation, below is an overview of these regions, using public studies as a reference.

Cerrado Biome



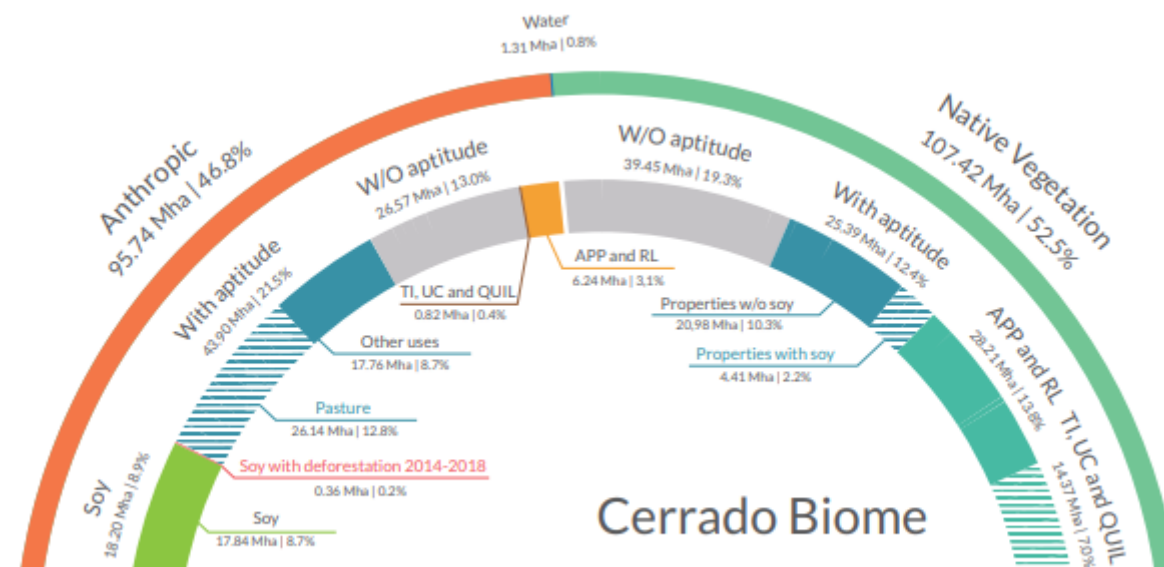
According to EMBRAPA, the Cerrado is the second largest biome in Brazil with an area of approximately 204 million hectares. This represents almost a quarter of the country's entire land area.

Studies contracted by ABIOVE (Brazilian Association of Vegetable Oil Industries) and carried out by Agrosat Satélite show that, in the last 18 harvests, the soy area grew 2.4 times in the Cerrado, from 7.5 to 18.2 million hectares. Currently, 51% of the national soybean area is in this biome. Almost 1/3 of the expansion was concentrated in Matopiba (Maranhão, Tocantins, Piauí and Bahia), where the soybean area increased from 1 to 4.3 million hectares during the same period.

It is also worth noting that from the 2000/01 to 2018/19 harvest, with 2001 the start for the Agrosatellite analyses, 27.7 million hectares were deforested in the Cerrado biome. Of this total, soybeans occupied 3.5 million hectares of deforested areas in the 2018/19 harvest.

These numbers indicate that 12.6% of the deforestation that took place in the last 18 years was converted into soy, directly or indirectly, and that the remaining 87.4% was destined for other uses. To learn more about the study, please access: <https://abiove.org.br/publicacoes/analise-geoespacial-da-soja-no-cerrado/>

Cerrado biome situation summary in 2018/19



Source: Agrosatélite Geospatial Analysis of Soybeans Report in the Cerrado

MAIN HIGHLIGHTS

and KPIs Progress Report



PRIORITY JURISDICTIONS' EXPANSION FOR ACTION:

- 30% increase in the number of monitored properties
- 16% increase in monitored area compared to the previous year
- Coverage of 100% of the company's operation in the Cerrado and Amazon biomes (priority jurisdiction)



TRACEABILITY AND MONITORING IN THE CERRADO AND AMAZON BIOMES:

- 75% of direct suppliers and 25% of indirect suppliers
- 99% of direct suppliers tracked and monitored at the polygon level vs 98% in 2019/20
- 30% of indirect suppliers tracked and monitored vs 22% in 2019/20



ETHICAL SUPPLY CHAIN:

- 100% of suppliers comply with AMAGGI's socio-environmental criteria
- 100% compliant with external verifications of the Soy Moratorium and Pará Green Grain Protocol commitments



SUSTAINABLE PRODUCTS AND SOLUTIONS:

- ORIGINS launch, AMAGGI's new zero deforestation and conversion guarantee program
- AMAGGI remains the leader in the supply of certified grains in socio-environmental standards: RTRS EU RED, Proterra, 2bsvs

Free from deforestation and conversion in the Cerrado and Amazon Biomes:

99% of the volume of soy originated and tracked by AMAGGI from direct and indirect suppliers, after 2017, is free from deforestation and conversion

No deforestation and conversions were detected after 2020 in soy originating from direct suppliers

100% of agricultural production on AMAGGI farms free from deforestation and conversion (Deforestation and Conversion Free – DCF) since 2008

COMMITMENTS AND IMPLEMENTATION FRONTS

Based on the commitment “Towards a Deforestation and Native Vegetation Conversion Free Grain Chain” – version 2019, AMAGGI provides transparency in how it has been working to achieve the positive results it has been achieving in combating deforestation and conversion. Through its implementation fronts - ranging from environmental conservation actions carried out in the company's production areas, to working with its value chain, which includes grain suppliers, society, government, community, financial institutions, partners and customers, the company demonstrates its performance and the challenges it still must go through.



Environmental conservation of AMAGGI's production areas

- Ensure the maintenance of agricultural production's responsible expansion in already open areas, as well as invest in the transformation of degraded areas into increasingly productive properties, avoiding new conversions of native vegetation for the entry of agriculture;
- Ensure compliance with the precepts determined by the Brazilian Forestry Code and strengthening the restoration agenda;
- Guarantee the conservation of biodiversity and the efficient use of its resources, in addition to the sustainable development of the territory;
- Continue to invest in technology in the field and good agricultural practices in order to improve operational efficiency, as well as mitigate socio-environmental impacts;
- Continuously invest in reducing greenhouse gas emissions from products produced and originated by AMAGGI, as well as its carbon footprint;
- Respect and protect human rights, especially for traditional and indigenous



Supplier traceability

- Continuously improve traceability of its direct grain supply chain, ensuring the origin regularity to the market;
- Map and analyze risks of the indirect grain supply chain;
- Evolve in strategic information management of grain suppliers in the ORIGINAR database;
- Ensure that the socio-environmental criteria determined by AMAGGI for grain commercialization are met, as well as the Brazilian Forestry Code;
- Ensure the continued fulfillment of institutional commitments assumed, such as the Soy Moratorium, the Green Grain Protocol, among others;
- Respect and protect human rights, especially to local and indigenous communities, and family farmers;
- Respect the right to use the land, including the principle of free, prior and informed consent.



Partnerships and initiatives for sustainable and deforestation-free agriculture

- Invest in partnerships and projects in search of a more responsible supply chain, especially those that operate in priority jurisdictions;
- Invest in initiatives that promote solutions for the protection, conservation and recovery of areas with high biodiversity conservation value and carbon stock (HCS and HCV);
- Maintain participation in sectoral discussions, such as the Soy Working Group (GTS), the Cerrado Working Group (GTC) and the UN Global Compact Food and Agriculture Thematic Group, to promote sustainability in agribusiness;
- Maintain an open dialogue and participate in initiatives with main actors of the value chain, aiming to provide innovative and sustainable solutions to the challenges of deforestation free agriculture;
- Take part in initiatives that contribute to the evolution of public policies and improvement of the country's socio-environmental governance;
- Support mechanisms that value forests and natural resources, such as PSA systems (payments for environmental services) and other conservation financing mechanisms.



Engagement and development of the grain supply chain

- Encourage grain suppliers to maintain a conversion-free operation, which contributes to the sharing of benefits with surrounding communities and allows for the efficient use of resources and sustainable development of the territory;
- Support the adoption of good agricultural practices, such as biological control, as well as systems that allow for greater productivity and better management of land use, less use of pesticides, fertilizers and inputs, among other actions to mitigate other possible environmental and social impacts;
- Expand practices for disseminating knowledge and encouraging producer socio-environmental certifications, for an increasingly sustainable performance.
- Promote legal compliance for its operations and demand compliance with local laws related to forestry issues.



Socio-Environmental Certifications

- Encourage the expansion of producer socio-environmental certifications and the commercialization of a product certified by the market, both in their own schemes and as multi-stakeholders (RTRS, ProTerra and others);
- Guarantee the maintenance of socio-environmental certifications in 100% of AMAGGI's production;
- Provide support to rural producer suppliers to reach standards required in certifications and connect them to consumer markets;
- Be a reference in meeting new market demands to expand the guarantee schemes of origin and zero deforestation, and offer innovative and sustainable solutions;
- Share benefits among all in the value chain, in addition to guaranteeing the credibility of certified and original products to interested parties.

GOVERNANCE AND MANAGEMENT

for commitments implementation

AMAGGI's ESG (Environmental, Social and Governance), Communications and Compliance Board, which reports to the company's CEO, has the main role of unfolding the sustainability strategy, especially the Global Sustainability Positioning, Commitments and ESG Goals, in all business areas and at all levels of the organization, as well as evaluating the company's socio-environmental performance, planning projects and actions to achieve the expected results.

To support the ESG Board, AMAGGI has over 20 corporate employees fully dedicated to implementing the company's sustainability strategy. In addition, all AMAGGI units have a representative responsible for ensuring, along with the other areas, activities compliance with the legal requirements, socio-environmental commitments and internal rules of the company, related to the respective operations of each unit (including suppliers). In addition to the employees dedicated to the socio-environmental area, AMAGGI has the André and Lucia Maggi Foundation and employees from other departments responsible for sustainability strategy, such as Origination, Purchasing, Compliance, Legal, Logistics, Human Resources and controllership. These professionals are trained in the company's socio-environmental procedures and are audited on their results.

MANAGEMENT SYSTEMS AND PROCESSES:

The company has a unified **socio-environmental management and policy (GSA)**, which is based on the requirements of the NBR 16001:2012 (social responsibility) and integrates the ISO 14001:2015 (environment) and RTRS (Round Table on Responsible Soy) certifications, ProTerra, ABR/BCI (Responsible Brazilian Cotton / Better Cotton Initiative) and 2BSvs (Biomass Biofuel Sustainability).

GSA is made up of a set of standardized processes and procedures, whose related activities are developed and operated by the Corporate Sustainability area and the company's business areas, in order to prevent and minimize possible negative socio-environmental impacts related to operations, products and services of AMAGGI, in addition to creating opportunities and maximizing positive impacts through the implementation of actions and programs.

To measure its performance, annually, AMAGGI conducts internal and external audits to verify the company's adherence to its commitments and standards. All company employees are evaluated by internal audits that include the company's ESG requirements. This assessment is part of the financial results distributed annually, by performance, to the company's employees.



COMMITMENT

implementation
fronts:



Environmental Conservation of
Amaggi's Production Areas

Main results achieved:

- 100% of AMAGGI owned farms free from deforestation for agricultural expansion, at least since 2008
- 100% of AMAGGI owned farms for agricultural production are certified under socio-environmental schemes;
- 137 thousand hectares of preserved area;
- 100% AMAGGI operations in compliant with the Forestry Code and other applicable legislation, kept outside the limits of Conservation Units and Indigenous Lands;
- Investment in new technologies to increase productivity and lessen socio-environmental impact;
- Smaller carbon footprint compared to competitive markets;
- 100% renewable energy for agricultural activities development
- Start of projects to deepen the mapping and management of biodiversity

COMPLIANCE WITH THE FORESTRY CODE AND CONSERVATION OF AREAS

In 2020, AMAGGI maintained all its properties in accordance with the Brazilian Forestry Code and other legislations in the country and is free from deforestation and conversion to agricultural production areas since 2008.

The company's productive activities are carried out outside the limits of Conservation Units and Indigenous Lands, in addition to guaranteeing respect for traditional communities, family producers and the right to use the land.

Of a total of approximately 281,000 hectares of AMAGGI owned areas (including agricultural and reforestation units), AMAGGI maintained circa 137 thousand hectares of protected areas, including Legal Reserve (RL), Permanent Preservation Areas (APPs) and park areas for compensation, representing 49% of preserved areas located in the Pantanal, Amazon and Cerrado biomes. Of these preserved areas total, 168 hectares of APP are in recovery process.



Case: From commitment to practice for sustainable expansion

AMAGGI is committed to responsibly expanding agricultural operations in already open areas, as well as investing in the transformation of degraded areas into increasingly productive properties. Prior to the acquisition of new properties, due diligence and socio-environmental impact studies are carried out on these areas.

In 2020, AMAGGI began the evaluation process for acquiring farms from the 'O Telhar' Agro group, formalizing the purchase in 2021 only after confirming compliance with the company's criteria, especially those related to non-deforestation and conversion after 2008.

As of next year, AMAGGI's Progress Report will include these farms' accountability.

BIODIVERSITY CONSERVATION

AMAGGI's conservation areas are located entirely in the state of Mato Grosso and are distributed in the Cerrado, Amazon and Pantanal biomes, places that represent habitats of native species, such as tapirs, maned wolves, pumas, jaguars, agoutis, armadillos, red deer, snakes and various birds, among other species which can be frequently observed by employees and local residents. The APP and Legal Reserve areas are strategically positioned to form ecological corridors for animal passage and transit.

Case: Support for research that values biodiversity, a partnership with IPAM

Since 2004, AMAGGI has partnered with the Amazon Research Institute (IPAM) to carry out scientific research in one of its rural properties, the Tanguro farm – located in the Amazon biome.

Despite complications brought about by the Covid-19 pandemic, studies on the farm continued throughout 2020, even if only remotely for part of the time. Currently, around 20 PhD researchers are directly involved in research on the farm and approximately 98 undergraduate, masters and doctoral students from different countries and institutions around the world – such as the Woods Hole Research Center, directly or indirectly make up the studies conducted on site.

Research focuses on understanding the possible impacts of agriculture on biodiversity; cataloging fauna and flora; understanding the role of animals in seed dispersal, promoting natural area restoration; in addition to climate-related research, such as measuring emissions and removal of greenhouse gases by the forest and agricultural soils.

Also, in partnership with IPAM, AMAGGI is expanding biodiversity mapping and monitoring to all farms, including fauna and flora. The study aims to bring information and data so that AMAGGI can take measures to enhance biodiversity and mitigate possible negative impacts.



WATER RESOURCES AND SPRINGS CONSERVATION

Preservation of riparian forests is extremely important to prevent siltation of water bodies and conserve biodiversity. To this end, AMAGGI has a corporate and local team dedicated to the recovery of these areas, either by monitoring natural regeneration or planting seedlings. In this case, the company has nurseries (located at the Tanguro farm, in the Amazon biome) to produce seedlings of various forest species. In 2020, 30,000 seedlings were produced.

Environmental
Conservation of
Amaggi's
Production Areas



PREVENTION OF FOREST AND FIELD FIRES

In order to prevent accidental fires in areas of native or agricultural forest, mainly caused by dry weather and high temperatures, AMAGGI has firefighting equipment and trained firefighting brigades, which are also available to assist neighboring farms whenever necessary.



ACTIONS FOR MORE PRODUCTIVE AND SUSTAINABLE AGRICULTURE:

100% renewable energy

AMAGGI produces renewable energy from small hydroelectric plants and solar panels, the company has the capacity to provide 100% renewable energy to carry out its agricultural activities.

Biological control

AMAGGI uses biological control on a large scale on all farms. It believes it is one of the main solutions to significantly reduce the use of pesticides in crops, so invested in its first bio factory in 2020, which is already supplying biologics for an experiment on the Tucunaré farm.

Allied techniques

Joining techniques consolidated by Brazilian agriculture, such as no-tillage; cultures succession; use of Integrated Pest Management (IPM) to reduce the use of pesticides; in addition to crop and livestock integration systems, among others.

Agricultura altamente produtiva sem irrigação

Todas as fazendas da Amaggi não usam irrigação para produção agrícola. As culturas recebem apenas água de chuva, sendo os plantios e colheitas planejados para ocorrerem conforme o ciclo hidrológico local.

Connectivity

The implementation of a 4G network at units and 200 new automated weather stations enabled the machinery to have real-time access to remote sensing information, increasing assertiveness in decision-making in the field.

Machinery efficiency

Machinery exchange for more efficient, modern and economical models, with less polluting engines and more sustainable fuels. These factors increased equipment availability in the field to carry out increasingly intense activities.

TelemeWeather

Online solution that integrates the use of machine telemetry and climatological data, allowing for activities execution with better quality, according to the agronomic guidelines previously defined in the field service orders. The result is a more agile and sustainable management.

Carbon footprint

In 2020, AMAGGI once again invested in improving the calculation of the carbon footprint of its products – soy, corn and cotton, which presented best results in terms of emissions compared to main players in the market. The study, which was carried out by a specialized consultancy and verified by a third party, pointed out as differentials AMAGGI's good agricultural practices and the fact that there has been practically no change in land use in the last 20 years. As a result, we have made more products available to the market with sustainable origin guarantee.



ACTIONS FOR MORE PRODUCTIVE AND SUSTAINABLE AGRICULTURE:



Case: Soil dynamics, a partnership with Embrapa

In a project in partnership with Embrapa, which started in 2020, AMAGGI takes a leap in understanding soil dynamics in all its farms.

The project aims to understand the behavior of the microbiota, nutrients and micronutrients present in the soil, enabling recommendation and use of new agricultural practices to reduce input consumption.

Embrapa is also supporting AMAGGI in understanding the behavior of elements linked to greenhouse gases (such as carbon and nitrogen), based on the analysis of fixation and removal of these elements in the soil based on good agricultural practices.

The project will last for 2 years and can be considered the basis for the evolution of AMAGGI's regenerative agriculture, together with other company initiatives in the socio-environmental fields.

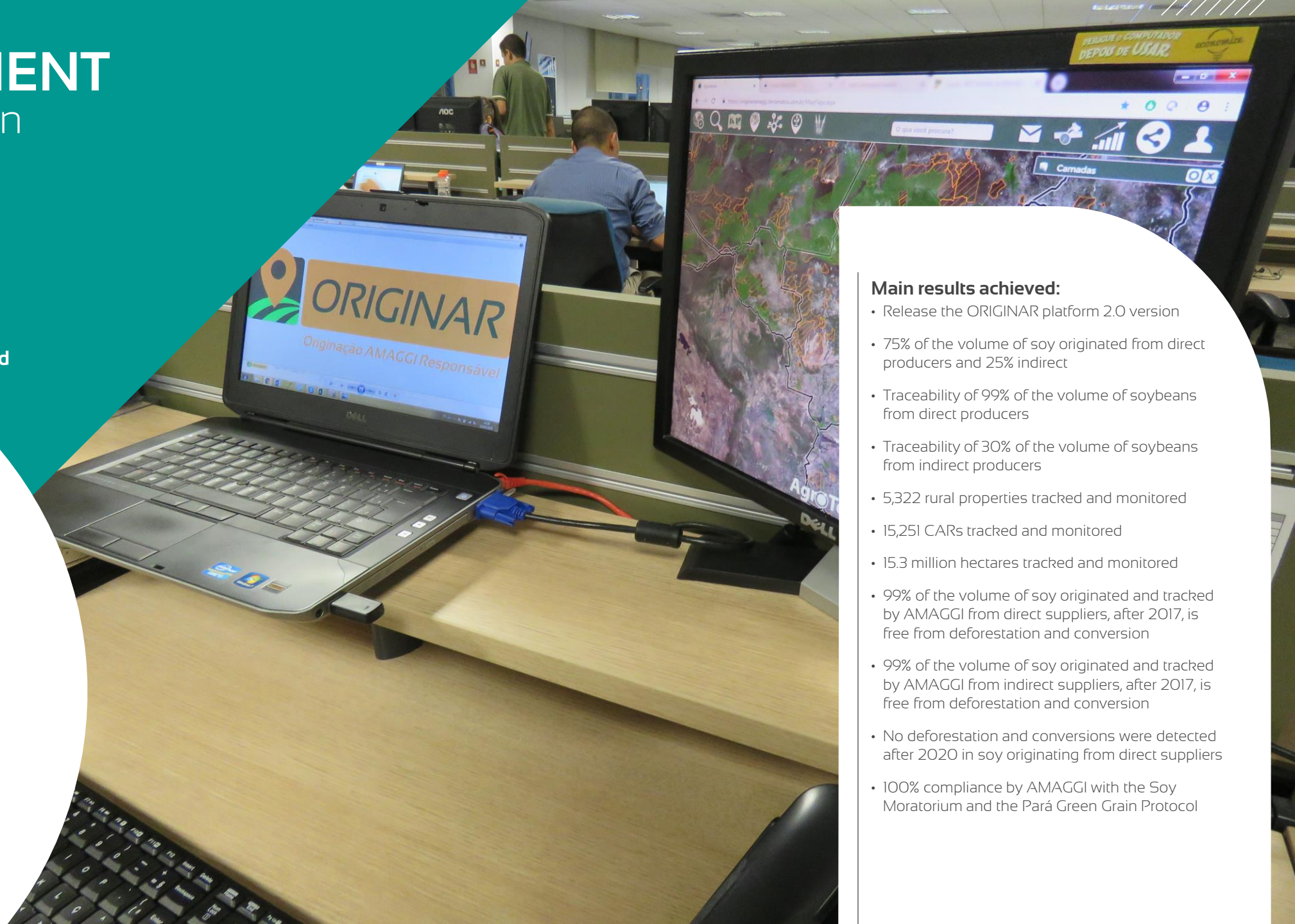


COMMITMENT

implementation
fronts:



Grain supplier traceability and
management



Main results achieved:

- Release the ORIGINAR platform 2.0 version
- 75% of the volume of soy originated from direct producers and 25% indirect
- Traceability of 99% of the volume of soybeans from direct producers
- Traceability of 30% of the volume of soybeans from indirect producers
- 5,322 rural properties tracked and monitored
- 15,251 CARs tracked and monitored
- 15.3 million hectares tracked and monitored
- 99% of the volume of soy originated and tracked by AMAGGI from direct suppliers, after 2017, is free from deforestation and conversion
- 99% of the volume of soy originated and tracked by AMAGGI from indirect suppliers, after 2017, is free from deforestation and conversion
- No deforestation and conversions were detected after 2020 in soy originating from direct suppliers
- 100% compliance by AMAGGI with the Soy Moratorium and the Pará Green Grain Protocol

AMAGGI SOCIO-ENVIRONMENTAL CRITERIA FOR GRAIN MARKETING:

In order to guarantee the responsible purchase of grains, AMAGGI evaluates 100% of its suppliers based on established socio-environmental criteria, aiming at environmental protection and respect for human rights.

AMAGGI does not sell grains from productive areas that are:

- Embargoed by IBAMA and state environmental agencies
- Within Indigenous lands and strict protection conservation units
- Areas deforested after 2008 in the Amazon Biome not complying with the Soy Moratorium
- Areas not in compliance with the Pará Green Protocol for Grains
- In the Dirty List of Slave Labor

The entire criteria verification process, especially the Soy Moratorium and the Pará Green Grain Protocol, is verified annually through third-party audits. AMAGGI has always achieved 100% compliance.

ENSURING COMPLIANCE WITH SOCIO-ENVIRONMENTAL CRITERIA

To ensure compliance with its criteria, the company has its **ORIGINAR** geospatial system, which was custom-developed for AMAGGI. The platform allows monitoring of the entire grain supply chain using updated satellite images and a public database for carry out socio-environmental and agricultural production analyses.

In its **2.0 version**, launched in 2020, ORIGINAR improved grain traceability, adopting geospatial identification of supplier farms at the time of grain purchase, ensuring a prior analysis of all sales at the geospatial scale, crossing data with official bases and information, in compliance with the marketing criteria defined by the company.

All grain purchases go through the **ORIGINAR 2.0 geospatial system**, and only those 100% compliant with AMAGGI's minimum marketing criteria are able to proceed with receiving grain. If there is any type of restriction identified at the time of purchase, the sale registration is automatically blocked and can only be released after confirmation by the Sustainability area that the purchase meets the company's socio-environmental requirements.

Discover [here](#) some of the ORIGINAR 2.0 Platform functionalities

Grain Supplier
Traceability and
Management



CHAIN TRACEABILITY AND MONITORING

The ORIGINAL 2.0 Platform also allowed AMAGGI to expand its priority area of operation, including **all supplying rural properties located in the Cerrado and Amazon Biomes**. Thus, the company reinforces its chain traceability and monitoring in 100% of these biomes. As a result, there was a **30% increase in the number of properties monitored and a 16% increase in monitored areas**.

MONITORED AREAS	2021	2020	20-21 (%) EVOLUTION
Numbers of tracked and monitored properties	5.322	4.100	30%
Numbers of tracked and monitored CARs	15.251	11.600	31%
Total monitored area (ha)	15.300.000	13.170.000	16%
Monitored Native Vegetation Area (ha)	5.931.000	4.980.000	19%

Another 2020 result was the increase in traceability and monitoring percentage of direct suppliers in the 2020/2021 harvest, when compared to previous years, totaling **99% volume traceability of direct suppliers in priority jurisdictions**. In this last harvest, direct suppliers represented 75% of the total volume originated by the company.

TRACEABILITY	2021	2020
Traceability of direct suppliers	99%	98%
Traceability of indirect suppliers	30%	22%

PROPORTION OF DIRECT VS. INDIRECT SUPPLIERS	2021	2020
Direct suppliers	75%	87%
Indirect suppliers	25%	13%

Due to the increased coverage of priority areas, advancing to states with a strong presence of cooperatives and resellers, the number of intermediate and consequently indirect suppliers at AMAGGI rose from 13% to 25%, when compared to the last harvest year.

CHAIN TRACEABILITY AND MONITORING

However, the company invested in efforts and technology to increase the level of traceability and monitoring of these suppliers, now **reaching 30% of traceability and indirect monitoring** – in the last harvest this figure was 22%.

In order to monitor indirect suppliers, AMAGGI has been engaging in sectorial initiatives and directly with its intermediaries, as well as improving commercialization registration, allowing the registration of the origin of third-party properties in its purchasing system, as well as the automation of maximum productivity per hectare for each sale generated, minimizing risks linked to sales triangulation. Control of maximum productivity is carried out for all types of supply, whether direct or indirect.

To identify suppliers, the CAR, SIGEF/INCRA and field knowledge that the AMAGGI units' team has are used as reference bases for property limits, increasing reliability of the data generated.

Grain Supplier
Traceability and
Management



BUSINESS AREAS ALIGNMENT

One of the 2020 highlights was the integration of business and sustainability strategies within the same system, ORIGINAR 2.0. Through modules that allow the crossing of commercial data with socio-environmental information and satellite images, the tool now fully integrates areas of Origination, Inputs and Sustainability, ensuring a better market strategy, more security and traceability for AMAGGI negotiations.

To this end, the company's investment in training employees in the areas of sustainability, origination, supplies, inputs were essential and is being one of the great differentials for the success and full use of the system, which becomes a commercial intelligence system.

DEFORESTATION AND CONVERSION ANALYSIS IN THE SUPPLY CHAIN



Evolution the mapping process, monitoring of suppliers and volume sold traceability in the Cerrado and Amazon Biomes, allowed AMAGGI to analyze the incidence of deforestation and conversion in its supply chain and, consequently, the challenges to achieve its commitment to a chain free from deforestation and conversion.

As AMAGGI is part of the Soy Moratorium, not allowing any legal or illegal deforestation in the Amazon Biome to enter its chain, the deforestation analysis was carried out based on suppliers monitored in the Cerrado biome, referring to the volume traded and tracked in the 20/21 harvest by AMAGGI, reaching the following conclusions for direct suppliers:

- **99% of the volume of soy tracked from direct suppliers, after 2017, is free from deforestation and conversion.**

This percentage has been maintained since the last harvest, even though AMAGGI has increased the number of properties evaluated by 30%. 2017 is used as a reference, as it was the year in which AMAGGI first published its Global Sustainability Positioning and commitment to deforestation.

- **No deforestation and conversions were detected after 2020 in soy originating from direct suppliers.**

Following the market trend, July 2020 will be used by AMAGGI as a reference date to assess its commitment's evolution in the company's forthcoming reports.

Considering the same dates and criteria for analysis, the results for AMAGGI's indirect suppliers are **99% of the volume of tracked soy from indirect suppliers, after 2017, is free from deforestation and conversion**

PRIORITY FOR ACTION IN COMBATING DEFORESTATION:

Combating illegal deforestation and detecting deforestation and burning in the shortest possible time in its internal systems are priorities for the company, as they will enable a more **assertive engagement** with its supply chain in order to achieve its commitment.

To this end, AMAGGI is investing in technology, enabling its geospatial grain marketing system, ORIGINAR, to detect deforestation, conversions and fires in the shortest possible time, enabling engagement of its supply chain within the same month of detection. In addition, the company is working together with various initiatives so that environmental agencies can publicize information on the legality of deforestation, enabling information inclusion in their purchase analyses.

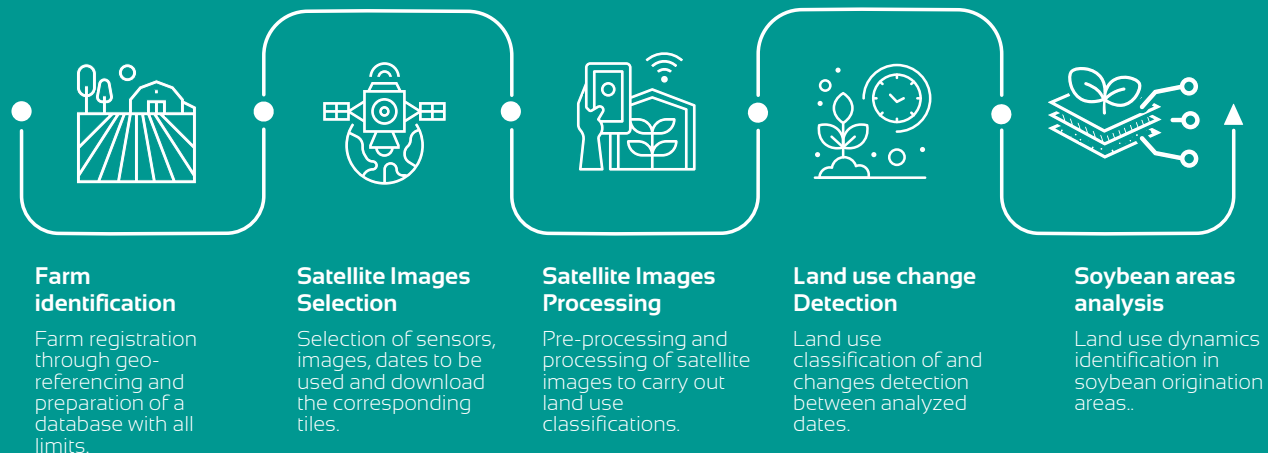
METHODOLOGY TO IDENTIFY LAND USE CHANGE

The methodology used to identify land use change with change and quantification in native vegetation in the 2017-2021 period followed steps shown in the figure below and used images integrating the Sentinel, Landsat and RapidEye satellites. As different satellites were used to prepare the study (with different spatial resolutions), only deforestation greater than 5 hectares occupied with soybeans in the last harvest were considered.



Deforestation Detection Work Steps

Activities developed at work.



The Land Use Classification and Land Use Change were prepared by the consultancy Vega Monitoring, a of Grupo Imagem company and Federal Lavras University Foundation (UFLA), following UFLA's monitoring methodology.

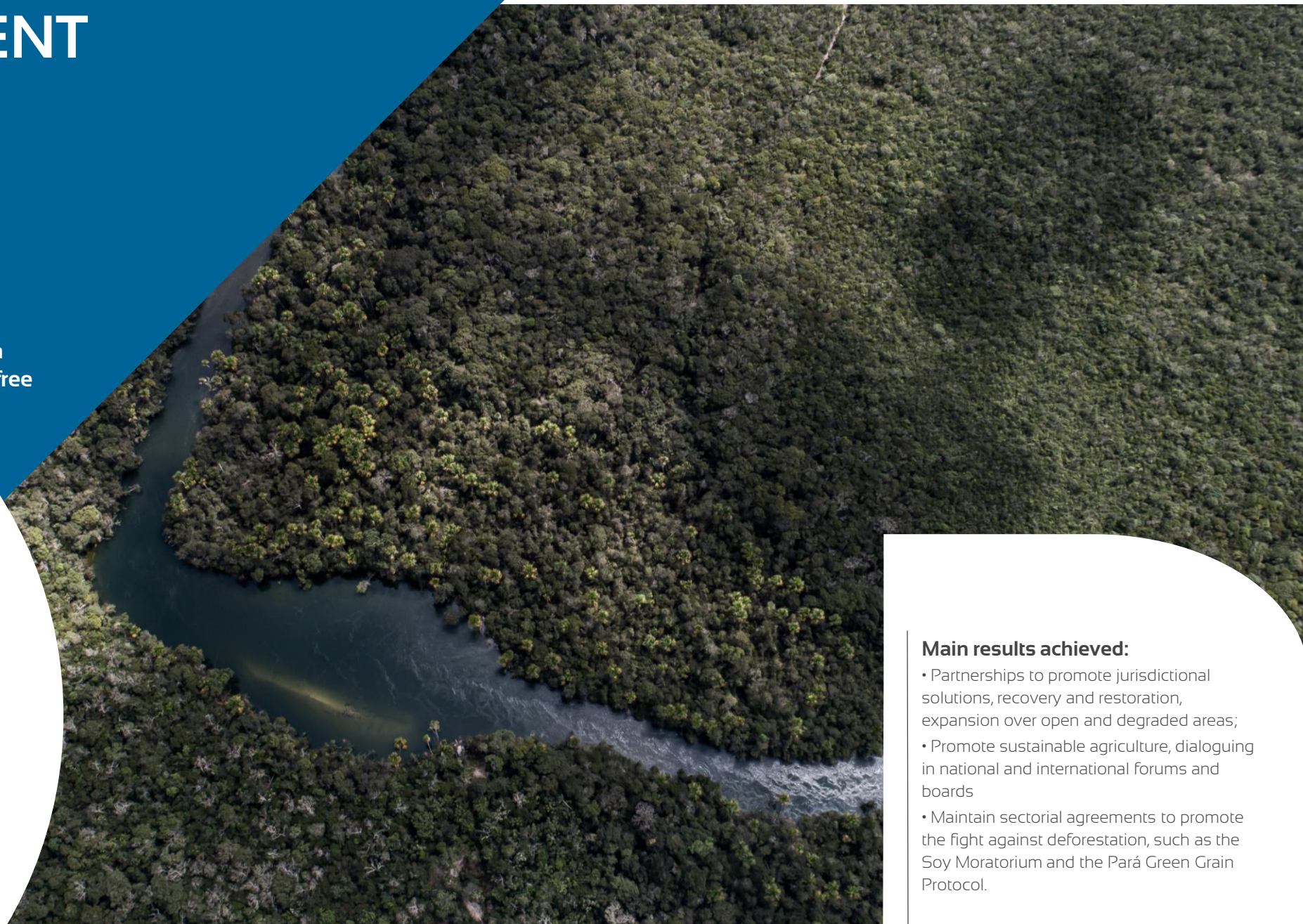


COMMITMENT

implementation
fronts:



Partnerships and Initiatives for a
Sustainable and Deforestation-free
Agriculture



Main results achieved:

- Partnerships to promote jurisdictional solutions, recovery and restoration, expansion over open and degraded areas;
- Promote sustainable agriculture, dialoguing in national and international forums and boards
- Maintain sectorial agreements to promote the fight against deforestation, such as the Soy Moratorium and the Pará Green Grain Protocol.



Through dialogue and joint construction of solutions, values cultivated by AMAGGI, the company maintains its commitment and engagement by actively taking part in the most important tables, forums and working groups to discuss sustainability related to food production and agribusiness, joining efforts with government, civil society, research institutions and the private sector in favor of sustainable agriculture, in Brazil and abroad.

The partnerships are signed considering the priority jurisdictions of action defined by AMAGGI, Cerrado and Amazon Biomes, so that efforts to leverage sustainability are concentrated on areas of greatest risk. In 2020, the main focuses of action were the promotion of sustainable agriculture, the search for sectoral and jurisdictional solutions, environmental repair and restoration, expansion promotion into open and degraded areas, development of regenerative and low-carbon agriculture, among other topics relevant to the sector.

In this report, AMAGGI highlights some of its main initiatives and partnerships:



Brazil Climate, Forestry and Agriculture Coalition

Brazil's largest multi-sector articulation dedicated to promoting a low-carbon economy. AMAGGI is the leader of the Deforestation Forum and member of the Coalition Executive Group (GX).



Earth Innovation Institute

international institute linked to issues such as food security, protection of tropical forests and climate change. AMAGGI also takes part in the Tropical Forest Champions initiative.



Sustainable Trade Initiative (IDH):

partnership with the international institute with the objective of promoting commodities sale in accordance with sustainability commitments.



Soy Working Group (GTS):

front to combat deforestation in the Amazon biome known as the Soy Moratorium, formed by civil society organizations and companies.



Round Table on Responsible Soy (RTRS)

iniciativa internacional na qual produtores, comerciantes e processadores de soja trabalham em conjunto com bancos e organizações da sociedade civil para assegurar o cultivo de soja sustentável em todo o mundo e a responsabilidade social do setor. A AMAGGI fez parte do Executive Board da RTRS durante o ano de 2020.



Round Table on Responsible Soy (RTRS):

international initiative in which soy producers, traders and processors work together with banks and civil society organizations to ensure sustainable soy cultivation around the world and the social responsibility of the sector. AMAGGI was part of the RTRS Executive Board during 2020.



Soy Plus:

program coordinated by ABIOVE (Brazilian Association of Vegetable Oil Industries) which aims to promote improvements in managing rural properties in environmental, social and economic aspects.

Partnerships and initiatives for a sustainable and deforestation-free agriculture



INITIATIVE FOR EXPANSION IN ALREADY OPEN AREAS



AMAGGI maintained its partnership with The Nature Conservancy (TNC) to promote environmental adequacy and forest restoration on rural properties, as well as producer engagement for sustainable cultivation. In 2020, the partnership's focus was to map, identify and promote expansion in already open areas, reducing pressure on deforestation.

With the challenges posed by the COVID-19 pandemic, AMAGGI and TNC innovated by disseminating knowledge among producers, thus, a video was developed about the project, demonstrating to rural owners that it is possible to expand agricultural production, without the need for deforestation and conversions. Watch the video here.

Partnerships and initiatives for a sustainable and deforestation-free agriculture



JURISDICTIONAL SOLUTIONS INITIATIVE



Mato Grosso Produce, Preserve and Include (PCI) is an initiative by the State of Mato Grosso that seeks to achieve a vision of socio-economic development for 2030 through the sustainable use of natural resources. AMAGGI is co-founder of the newly created Instituto PCI and has been part of the initiative since 2015.

Believing in jurisdictional solutions to address social, environmental and economic aspects together with other actors operating in the same territory, AMAGGI has been dedicating itself to structuring the PCI Institute so that there are more assertive investments in the sustainable development of the State of Mato Grosso.

In order to give greater scale and visibility to jurisdictional solutions, AMAGGI has also supported the structuring of the forestry questionnaire. **CDP Disclosure Insight Action**, an initiative that mobilizes investors, companies and governments to build and accelerate collaborative actions for a development that works for current and future generations. Through interviews, cases and testimonies, AMAGGI has contributed so that more companies and investors support jurisdictional initiatives, providing transparency to effective results capable of transforming a territory.



FOREST RESTORATION INITIATIVE



Caminhos da Semente – (Seed Pathways) - an initiative formed by Agroícone + ISA + P4F and supported by over 160 organizations and 40 specialists - AMAGGI develops experiments to leverage the direct seeding technique (also known as Muvuca), a mixture of seeds with species of green manure and fruitful trees. Since they have different stages of growth, they allow for the area to structure itself quickly, attracting pollinator and disperser animals, and may also present lower costs when compared to traditionally used techniques.

Aiming at the best results for forest restoration process, in 2020, AMAGGI maintained its pilot project to test the technique, developed in 3 locations on the Tanguro Farm, which together total 7 hectares.

In this last year, the company was able to observe a good germination rate of native seeds, 3,5 times higher compared to conventional planting of seedlings. The idea is that this area can be a demonstration field and laboratory to encourage the recovery of degraded areas for producers in the region.

The project still has an important social footprint, the seeds used are purchased from the Xingu Seeds Network Association, which promotes the collection and exchange of seeds from trees and other plants native to the Xingu, Araguaia and Teles Pires regions, generating income for farmer family members and indigenous communities in the region.

As already mentioned in this report, the company's farms serve as a great laboratory for experimenting with innovative and sustainable agricultural practices.

Among several partnerships, it is worth highlighting 2 of them which contribute to the balance between conservation and production, contributing to the sustainability of agribusiness:



Amazon Environmental Research Institute (IPAM):

partnership for scientific research projects linked to the role of forests, biodiversity and their interaction with human activities at the Tanguro Farm, in Querência (MT).



Embrapa

partnership to deepen studies on the soil (from the microbiota to nutrients behavior) in cultivation areas of all the company's farms, allowing for greater sustainability in the production processes.

Learn more about these 2 initiatives - Environmental conservation of AMAGGI's production areas.

Partnerships and initiatives for a sustainable and deforestation-free agriculture



COMMITMENT

implementation
fronts:



Grain supply chain engagement
and development

Main results achieved:

- Support for over 180 properties certified in socio-environmental standards
- 637 producers visited to verify compliance with socio-environmental criteria;
- Soybean Technological Circuit: over 1,700 participants reached
- Realization of the Corn Technological Circuit in digital format, adapting to the Covid-19 pandemic

DIFFUSION OF KNOWLEDGE

AMAGGI believes that the dissemination of good practices contributes to the adoption of socio-environmentally responsible production. Therefore, it invests in technical assistance, material production and development of activities on social and environmental practices with producers, strengthening close contact with its suppliers.

Through the **Technological Circuit** (field day), AMAGGI shares technical information with farmers, such as: new cultivars, crop management, responsible use of pesticides, sustainability in agricultural production, among others. In 2020, AMAGGI held in person (before the Covid-19 pandemic) the Technological Soy Circuit, which had 1,772 participants. On the other hand, the Technological Corn Circuit took place in digital format, due to the pandemic.

After the start of the pandemic, the company reinvented itself and started looking for other ways to stay connected with its value chain, respecting safety measures recommended by health authorities. A series of videos, applications and digital content started to be produced and shared with rural producers, partners, employees, among other audiences.

Socio-environmental certifications also represent an important tool to engage producers and disseminating knowledge of good social, environmental and agricultural practices. In 2020, constant contact was maintained, even if remotely, with certified producers or in the process of certification in socio-environmental standards. Circa 180 properties were served in a new 100% digital format, although challenging, the company managed to achieve the desired results. See below, on the implementation front dedicated to certifications, more information on this topic.

Grain supply chain engagement and development



COMMITMENT

implementation
fronts:



Socio-environmental certifications
and origin guarantee programs



Main results achieved:

- Launch of AMAGGI's origin guarantee program – ORIGINS, which guarantees responsible and traceable production, with zero deforestation and conversion, based on the use of technology, enabling high scalability;
- One of the leading companies in socio-environmental certification of rural properties in the world, considering internationally recognized certification schemes – such as ProTerra and RTRS;
- Over 1.3 million tons of soy certified to zero deforestation standards from grain suppliers (RTRS EU RED, 2BSvs and ProTerra);
- Over BRL 3.3 million in awards to RTRS and 2BSvs certified suppliers – an increase of 65% compared to the previous year's award.

AMAGGI believes that Socio-Environmental Certifications and origin guarantee programs are ways of confirming its commitment to a sustainable and responsible production, generating environmental benefits - such as guaranteeing zero deforestation and conversion -, concrete social and economic benefits for producers, companies and consumers throughout their value chain.

In order to remain, in the world, one of the companies with the highest volume of certified soy by internationally recognized socio-environmental standards, AMAGGI actively takes part in the Roundtable on Responsible Soy (RTRS) leadership and in Proterra's technical and strategic discussions. In addition to certifying its own production, AMAGGI also works hard to evolve in certifying the volume in its supply chain.

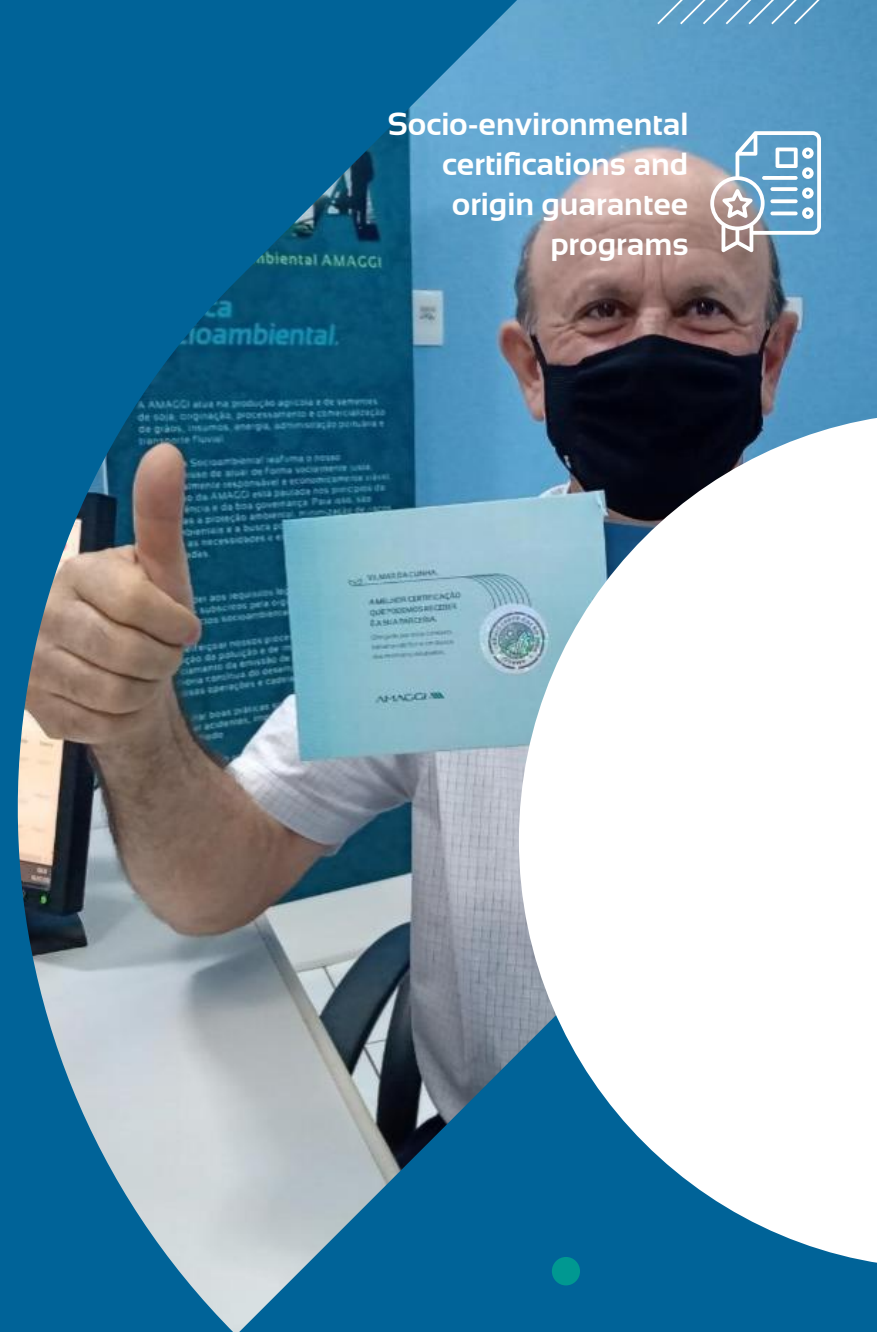
In 2020, in soy production, the company certified 43.4 thousand tons by the AMAGGI Responsible Standard (A.R.S.); **610.4 thousand tons by the ProTerra standard**, with 438.6 thousand tons from AMAGGI Agro's farms and 171.8 thousand tons from around 130 partner producers.

According to the RTRS EU RED standard – in compliance with the European Renewable Energy Directive, 510,800 tons were originated from 26 rural properties – 23 of them from partner producers and 3 AMAGGI farms.

Ainda durante 2020, a empresa conquistou a primeira certificação no esquema voluntário **Biomass Biofuels Also**, **during 2020, the company achieved its 1st certification in the Biomass Biofuels Sustainability Voluntary Scheme (2BSVs)**, developed for soy and corn producers involved in the biofuel supply chain to demonstrate sustainability in their production in accordance with the requirements of the European Union Directive for Biofuel Processing. 24 farms of partner producers were certified, verifying entry, storage and shipping processes, totaling a volume of **227.2 thousand tons for soy and corn crops**.

To ensure producers' adherence to socio-environmental certifications, **AMAGGI distributed over BRL 3.3 million in awards to RTRS and 2BSVs certified suppliers belonging to its certification group - an increase of approximately 65% when compared to the previous year**, which had paid BRL 2 million in premiums. For ProTerra producers, the prize is included in the Non-GMO value. In addition to the bonus, all costs with socio-environmental diagnosis, audits and other expenses for certification in the supply chain are borne by AMAGGI.

Socio-environmental certifications and origin guarantee programs



CASE: ORIGINS – the new AMAGGI origin guarantee program, zero deforestation and conversion

For all its investment in geospatial system and supply chain traceability, AMAGGI started to offer a unique and exclusive Origin Guarantee program capable of meeting the highest market demands.

Named ORIGINS, this proprietary AMAGGI program guarantees a responsible grain origin, free from deforestation and conversion (DCF), traceable and verified by a third party. It also counts on the calculation of forest and native vegetation areas and their respective carbon stock, making it possible to calculate the grain carbon footprint.

As a 100% digital solution, it is highly scalable and has the option of offering blockchain registration.

CHALLENGES AND NEXT STEPS

As future challenges and next steps, AMAGGI highlights the importance of continuing the actions, projects, initiatives and partnerships presented in this report, also adding the new ambitions of the commitment “Towards Deforestation and Conversion of Native Vegetation Free Grain Chain” – version 2021.

In order to provide greater clarity and transparency about its ambition, it presents below its ESG (Environmental, Social and Governance) goals and 2030 Global Actions, which will contribute to achieving its new commitment.

2030 ESG GOALS (ENVIRONMENTAL, SOCIAL AND GOVERNANCE) AND GLOBAL ACTIONS

Environmental

- Achieve zero net emissions by **2050 (NetZero emissions)**, through decarbonization strategies by **2035** and neutralization of any residual emissions, according to the Science-Based Targets initiative (**SBTi**), especially through the promotion of **regenerative, low-carbon agriculture and able to protect biodiversity**.
- Maintain zero deforestation and conversion (Deforestation and Conversion Free – DCF) since 2008 for agricultural production on AMAGGI owned farms, ensuring its expansion only in areas that have already been opened.
- Have a 100% monitored and tracked **grain supply chain**, free from deforestation and conversion (**Deforestation and Conversion Free – DCF**) for agricultural production by **2025**, considering all biomes, countries and regions where the company is present.
- Offer **innovative products and solutions** for an ethical chain, zero deforestation and conversion of native, regenerative and low carbon vegetation.
- Invest in **renewable energy**, remaining self-sufficient in its production vs consumption.

Social

- Highlight **positive impacts** generated in the communities where the company operates, prioritizing projects in the most strategic territories for businesses and publics with greater social, economic and environmental vulnerability.
- Significantly increase the number of **training courses** offered to **employees and third parties** by AMAGGI University.
- Invest in actions aimed at the development of critical suppliers in its chain, as well as contributing to the professional qualification of vulnerable people to access **decent work**.
- Promote initiatives that strengthen agricultural productivity and income of **small food producers**, especially **rural women and family farmers**.
- Ensure an action that respects and promotes **human rights** in all its operations and value chain, especially with **indigenous peoples and traditional communities**.
- Ensure and encourage maintenance of a healthy environment that prioritizes **the safety, quality of life and well-being** of employees and third parties.

Governance

- Implement improvements in the process of **communicating relevant ESG issues** to stakeholders, in relation to metrics, indicators, form and content.
- By 2025, implement a **diversity program**, aiming at the social inclusion of all.
- Ensure the continuous improvement of the company's **corporate governance** and the **relationship with all stakeholders**, ensuring a culture of integrity and ethics, responsibility, risk management and good business practices.
- Keep the **Confidential Channel** and the **Women's Channel** available to all stakeholders to investigate non-compliance with AMAGGI's Code of Ethics and Conduct.

Through these goals, AMAGGI would like to demonstrate its **priorities for action until 2030**, ensuring, on an annual basis, transparency to the advances already made and each step taken to achieve its commitments within stipulated deadlines.



In 2020, and recently in 2021, we were able to experience new major milestones for AMAGGI's ESG agenda - in line with our Global Sustainability Positioning, we launched the newest version of the commitment "Towards a Deforestation and Native Vegetation Conversion Free Grain Chain", as well as establishing our environmental, social and governance goals.

Our commitment reflects our efforts to understand the main challenges of the grain value chain and our network operations, to dialogue and work with the best of each of our partners. Challenges include, but are not limited to, aspects of forests, traceability, climate, human rights, ethics and agricultural practices. We are increasingly clear that sustainability, in its tripod (environmental, social and economic) is essential to having a society which is prepared and committed to its future and to generations to come.

As the largest Brazilian grain and fiber company, we know the importance of our role in fostering transformation and generating a positive impact in the value chain, thus, we reinvent ourselves and commit ourselves, in a transparent manner, to the future.

By 2025 we have the ambition of having a grain supply chain which is 100% deforestation and conversion free, tracked and monitored. We're just a little way away, but we cannot turn back.

It is also worth remembering that we continued our commitments with our own operations to keep agricultural production free from deforestation and conversion since 2008, in addition to other institutional commitments.

Reinforcing our Climate agenda, **we joined the Science Based Targets (SBTi) initiative, through the Business Ambition for 1.5°C campaign, and with this we are now also part of the Race to Zero global movement** – in this sense, we are committed to achieving zero net emissions by **2050 (NetZero emissions)**, through decarbonization strategies by 2035 and neutralization of any residual emissions.

I reinforce that our work will continue to be based on **respect and promotion of human rights**, knowledge and dialogue dissemination, as well as developing traceability technologies in the field, offering sustainable and innovative products and solutions and, above all through the **promotion of regenerative and low carbon agriculture.**

And we will not remain inert until we fully reach our goals and objectives. We will provide annual transparency on our evolutions, learning from our successes and mistakes, redirecting strategies, without taking our eyes off what we want to reach.

We know that to achieve our ambitions it is necessary to work together with actors in our value chain, so I invite everyone to be part of this journey and together we scale up our commitment to the future and sustainability of agribusiness.

AMAGGI 

