



Sustainability Bond Report

2019 | 2020 | 2021

AMAGGI 

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Disclaimer: most of the photos in this report are from before the Covid-19 pandemic, which explains why some people are without masks or social distancing.

Letter from the CEO

January 2021 represented an important milestone for AMAGGI. It was our debut in the capital markets, with high demand from investors, which allowed us to issue USD 750 million in sustainable bonds.

It is important to emphasize that the success of our first issuance is the direct result of years of investments and strengthening of a culture focused on sustainable development.

To this end, our first Sustainable Bonds' report brings information and accountability on the eligible projects foreseen in our framework, referring 2021 and the two previous years, including, in all cases, a third-party verification.

2021 also reserved other very important moments in our socio-environmental trajectory, with the launch of our ESG strategy (Environmental, Social and Governance) at our EMBRACE THE FUTURE live in September. We communicated then our ESG 2030 goals and new commitment "Towards a deforestation and conversion of native vegetation free grain chain", which brings together ambitions relating to forests, climate, and governance. With regards to climate, our goal is to reach zero net emissions by 2050. We have reinforced this commitment by joining the Science Based Targets (SBTi) initiative, through the Business Ambition for 1.5°C campaign, joining the global Race to Zero movement.

In December, AMAGGI was recognized by the international environmental

organization CDP (Carbon Disclosure Project) as the only global soy production and marketing company to achieve an 'A' rating in combating deforestation in 2021. We are very proud to be the only soybean company among the 24 companies to obtain this score, out of more than 12,000 companies assessed, which proves our trajectory has been consistent, and our results have contributed to a more sustainable grain chain.

The last few years have been extremely challenging around the world; we are starting the third year still in a global pandemic scenario. However, we remain very firm in our commitment to continue producing food, preserving the environment, and ensuring the sustainable development of communities where we are present.



Judiney Carvalho de Souza
CEO AMAGGI



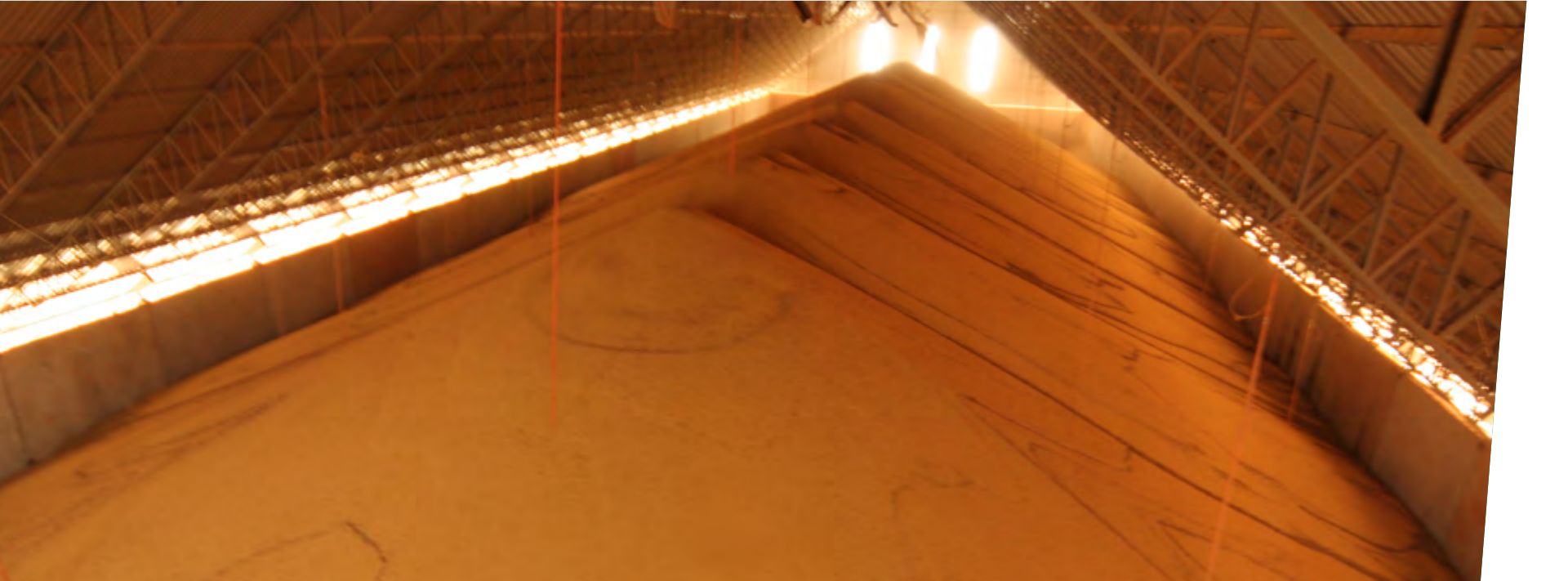
AMAGGI's headquarters, located in Cuiabá, Mato Grosso State

A review of AMAGGI's activities and company commitments

AMAGGI contributes to global economic growth through sustainable development of agribusiness, working in areas of agricultural production of grains and fibers, origination (procurement), commercialization of grains and inputs, fertilizers mixing, sea and river port operations, river and road transportation, and generation and commercialization of electricity. The company also operates

three crushing plants for the production of soybean meal and oil used in the food industry and animal feed market.

All activities are strategically distributed in four business areas, which rely on a unified and synergic corporate management structure.



Business Areas

AMAGGI AGRO

Responsible for the agricultural production of soybean (commercial grains and seeds), corn, and cotton on AMAGGI owned and leased farms totaling 259 thousand hectares of farm area where two crop cycles are done every year. The activities and processes carried out on AMAGGI farms use state-of-the-art technology and agronomic techniques at a sustainability top level.

AMAGGI COMMODITIES

Responsible for grain origination operations (procurement), purchase and sales of grains (soybeans, corn, barley, wheat among others) inputs commercialization, as well as warehouse management. All these activities are performed in Brazil, Argentina, Paraguay, and Europe. The company relies on storage capacity of 2.7 million tons of grain in Brazil, distributed in more than 25 storage units mainly in the state of Mato Grosso, but also in other Brazilian states. The company is also very active in sustainable grain origination, being able to certify farmers and its logistic chain

in terms of quality assurance, low GHG emission and assuring end buyers that suppliers comply with the highest level of requirements in terms of environmental responsibility.

AMAGGI LOGISTICS AND OPERATIONS

This business area is related to navigation (river fleet), road and rail operations, crushing factories, fertilizer mixing plant, and port terminal operations. The AMAGGI's logistic operation - with a strong asset-based platform - is key for all the group's commercialization strategy and consistently positive returns since the company's foundation.

AMAGGI ENERGY

The energy business is comprised of clean power generation, administration, and commercialization of five-run of river small scale hydropower, located in the municipalities of Sapezal and Campos de Júlio in Mato Grosso State, which is integrated into the National Energy System, and has 70 MW/h of installed power capacity.

Eligibility criteria summary

As established in the Sustainability Bond framework, the amount of 750 million USD (seven hundred and fifty million USD) raised through the issuance of this Sustainability Bond, in January 2021, can be applied retroactively for up to 2 years. Thus, the company chooses to include

in this report investments and expenses made in 2019, 2020, and 2021. Considering the allocated value in the first couple of years as refinance projects, while the expenditures from 2021 onwards are financing projects. All the eligible projects are included in the following categories:



Environmentally Sustainable Management of Living Natural Resources and Land Use



Employment generation, and programs designed to prevent and/or alleviate unemployment



Socioeconomic advancement and empowerment



Climate Change Mitigation



Preservation of Natural Resources and Biodiversity



Food security and sustainable food systems





Environmental Commitments and Actions

AMAGGI is committed to act in a socially just, environmentally responsible, and economically viable manner. The company constantly invests in measures to mitigate impacts and in actions associated with its commitments to a more sustainable agribusiness.

AMAGGI ´s strategy for a more efficient operation is to mainly focus on investments in research and new agricultural technologies

in areas of soil decarbonization, regenerative agriculture, biomes, and native vegetation protection, in addition to expanding the use of renewable energy. The company also has one of the most complete

greenhouse gas emissions and removals inventories in the agricultural sector. Expanding agricultural operations in areas that have already been opened, as well as investing in the recovery of degraded areas, making them increasingly productive, is part of the company´s commitment. Before acquiring new properties, due diligence and socio-environmental impact studies are carried out.

As a future goal, in 2021, AMAGGI joined the “Race to Zero” global initiative, through the Business Ambition for 1.5°C campaign, and committed to zeroing the net emissions by 2050 (NetZero emissions). The strategy of decarbonizing and neutralizing any residual emissions until 2035 is based on targets in accordance with the SBTi (Science-Based Target initiative).

Caring for the environment is a shared responsibility and, to this end, the socio-environmental commitments are extended to the entire value chain, including direct and indirect suppliers.

To meet the market's growing demand for transparency, AMAGGI invests in monitoring technologies to guarantee the origin and traceability of the grains purchased. Through the ORIGINAR 2.0 tool, its own geospatial monitoring platform, it is possible to ensure that, since 2017, 99% of the volume of soy originated and tracked by AMAGGI, from direct and indirect suppliers, is free from deforestation and native vegetation conversion. The commitment is to achieve a supply chain free of deforestation and native vegetation conversion and 100% traceable by 2025.

The Sustainability Bond issuance was linked to a contribution of over 537 million USD in the last 3 years for direct suppliers' farm and crop certification, according to the RTRS, ProTerra, and 2BSvs standards. In addition to supporting international certifications for farmers, it has offered in-kind prizes to those who have maintained their certifications over the years, to encourage a more sustainable and fair production.

AMAGGI is a worldwide leader company in soy standards socio-environmental certification. Thus, it is a reference in international rankings such as the Forest 500 and CDP Forest. In 2021 AMAGGI proudly assumed a top-notch position on CDP ranking as the only global soy production and trading company to reach an 'A' score, through significant demonstrable action to tackle deforestation in its supply chain and source more sustainable commodities.





Environmentally Sustainable Management of Living Natural Resources and Land Use

The soy certification of origin and traceability are important actions for a more sustainable agribusiness. Therefore, 100% of AMAGGI Agro's production is certified by socio-environmental standards, such as the RTRS (Round Table on Responsible Soy), ProTerra, and A.R.S. (AMAGGI Responsible Standard) Certifications, which guarantee socio-environmental responsibility, with zero deforestation and conversion, complying with best practices related to working conditions and relationship with communities.

With AMAGGI Commodities, the company's commodity trading area, in the past 3 years, has acquired 1,962,812.16 tons of soy from supplier farms, certified as per the standards specified in the company's Sustainability Bond. This represents 96,6% of the total resource value allocated from 2019 to

2021, according to the Sustainability Bond. Because of farms' socio-environmental certification, the total area of preserved and conserved native vegetation is 382,783.58 hectares, which reinforces the commitment to deforestation and conversion of the native vegetation-free value chain.

In 2021, to certify its grain origination sustainability, AMAGGI also launched its new origin-guarantee program, ORIGINS, attesting, by a third party, the fulfillment of the company's socio-environmental marketing criteria, origin traceability, as well as the inexistence of deforestation and conversion of native vegetation within the certified volume. Being 100% digital, the new program is scalable, affordable, with different modules that meet the customized demands of customers regarding climate and forest commitments.

SBP Eligible Project Category	Eligibility Criteria and Example Projects	Expected impact metrics	2019	2020	2021	Total
Environmentally Sustainable Management of Living Natural Resources and Land Use	Expenditures related to sustainable sourcing (procurement) of certified products	Total area of certified farms (hectares)	298,413.70	320,058.95	387,526.34	1,005,998.99
		Total area of preserved and conserved native vegetation at procured certified farms (hectares)	88,994.90	172,504.59	121,284.09	382,783.58
		Total volume of certified grains (ton)	922,716.91	506,274.90	533,820.35	1,962,812.16
		Total Expenditures and investments (USD)	\$259,716,279.61	\$123,410,584.77	\$154,124,331.85	\$537,251,196.23

Certification criteria information



RTRS (Round Table on Responsible Soy Association): Ensures that the certified product is produced with environmental (zero deforestation and conversion of native vegetation) and social responsibility, with responsible working conditions and community relations.



ProTerra Standard: Seal that assures a product free of deforestation and the absence of Genetically Modified Organisms (GMO) in certified soybeans.



2BSvs: Voluntary sustainability certification for the biofuel supply chain.



Preservation of Natural Resources and Biodiversity

AMAGGI is aware that protecting natural resources and biodiversity is essential to guaranteeing environmental balance and the future of the planet. Therefore, it is committed to sustainable development, acting in an ethical, socio-environmentally responsible manner throughout its value chain. From 2019 to 2021, the company invested 527,302.39 USD in the

preservation and conservation of 411,690.60 hectares, besides the restoration of 488 hectares of degraded areas. In partnership with the Amazon Environmental Research Institute (IPAM), a plan was started, in 2021, to map and monitor the biodiversity in AMAGGI's farms (Tanguro, Tucunaré, Água Quente, and Itamarati).

SBP Eligible Project Category	Eligibility Criteria and Example Projects	Expected impact metrics	2019	2020	2021	Total
Preservation of Natural Resources and Biodiversity	Expenditures related to the conservation or protection of natural resources, native vegetation and biodiversity, including maintenance or restoration of high conservation value areas and other conservation areas	Area of land conserved (hectares)	138,000.00	137,000.00	136,690.60	411,690.60
		Area of land revegetated or in restoration process (hectares)	179	168	141.01	488.01
		Investment in mapping biodiversity values and monitoring plan (USD)	-	-	\$97,271.25	\$97,271.25
		Volume of carbon stock on the conserved area (tCO2e)	73,239,988.35	73,239,988.35	73,982,035.99	220,462,012.69
		Total Expenditures and investments (USD)	\$139,849.81	\$158,328.04	\$229,124.53	\$527,302.39

Partnership with IPAM

Since 2004, AMAGGI has partnered with the Amazon Environmental Research Institute (IPAM) to carry out scientific research on one of its rural properties, the Tanguro Farm - located in the Amazon biome. Researchers have access to over 80,000 hectares, between forest and agricultural landscapes, in addition to having access to the experimental station and all necessary infrastructures. 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 restoration of areas, in addition to climate-related research. The partnership with IPAM is also expanding the mapping and monitoring of biodiversity to all AMAGGI 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.





Climate Change Mitigation

Investing in technology and innovation, AMAGGI contributes to a more efficient operation that helps to mitigate the impacts of climate change. Therefore, the company created the ORIGINAL 2.0 platform, a geospatial tool that enables the monitoring of areas in its own farms and in direct supplier's farms. This technology, a pioneer in agribusiness, is the result of a 683,355.94 USD investment over the past 3 years, a priority tool for business.

Last year, the total area in hectares monitored and registered in the ORIGINAL 2.0 system was 15,300,000 hectares, an increase of 16% compared to 2020, when the tool started to be used. Such monitoring corresponds to 99% of company's direct suppliers in priority jurisdictions (Amazon and Cerrado

biomes) and a goal was set to track 100% of direct and indirect suppliers by 2025.

The platform is also able to cross information and block users based on the dirty list of slave labor, areas embargoed by environmental agencies, and non-compliance with standards required by AMAGGI

In its pilot phase, in 2021, the ORIGINAL 2.0 enabled monitoring deforestation and fires that occurred throughout AMAGGI's supply chain in the shortest possible real-time. Scheduled to be fully launched in 2022, this new module will allow for more effective actions by the company when alerts are detected, working more assertively with rural producers.

In addition, AMAGGI has invested heavily in innovations and technology to improve production, protect the climate and the environment, thus reducing the pressure on deforestation and, consequently, stimulating expansion into already open areas, mitigating climate change

These initiatives include a commitment to regenerative and low-carbon agriculture, as well as the removal and fixation of carbon and nutrients in the soil. To this end, AMAGGI has a partnership with the most recognized research institutions in Brazil in the search for better solutions. Investment in precision agriculture, microclimate monitoring, direct planting, crop-livestock integration, and biological control, ensuring the best agricultural practices and lower environmental impact. AMAGGI invests in the use of

biological control and integrated pest management, enabling reduction of chemical control according to weather conditions of each year/harvest.

Since 2018, studies in the Amaggi Group Agricultural Research sector on the use of biological control on farms were applied to a pilot area of 6.000 hectares. Due to positive results and favorable conditions, in 2019 there was expansion to 72.000 hectares of applied area. It is important to inform that the total area applied is the sum of areas that receive biological control, which may even count with the application of more than one biological control in a single harvest.

From 2019 to 2021, there was a significant increase in the use of biological control, whenever its applicability was identified, representing an average increase of 11% when comparing the 2019 to the 2021 crop, thus reaching a total of 226.000 hectares of applied area.



AMAGGI promotes technical field days for rural producers

SBP Eligible Project Category	Eligibility Criteria and Example Projects	Expected impact metrics	2019	2020	2021	Total
Climate Change Mitigation	Expenditures related to the implementation, operation, and maintenance of tools to mitigate and monitor supply chain socioenvironmental risk, especially deforestation and conversion criteria through real time fire warning systems	Total area monitored and registered at ORIGINAR system (hectares)	-	13,170,000.00	15,300,000.00	
		Percentage of traceability of direct suppliers in the priority jurisdictions (%)	86%	98%	99%	
		Percentage of the volume from the priority jurisdictions that are deforestation free (%)	-	99% of direct suppliers	99% of direct suppliers	
		Investments in new techniques and technologies, such as regenerative and low-carbon agriculture, precision agriculture, and microclimate monitoring (USD)	\$3,012,511.86	\$4,354,292.09	\$4,657,532.54	\$12,024,336.49
		Total Expenditures and investments (USD)	\$3,228,794.31	\$4,636,226.09	\$4,842,672.02	\$12,707,692.42



Social Commitments Actions

AMAGGI's success is based on its presence in the field, its proximity to farmers, and its openness to dialogue with the most diverse actors. The company is an integral part of the various regions where it operates, exerting an important influence on the social and economic context through its activities, operations, and relationship with stakeholders. Keeping this in mind, its global positioning predicts that the company's growth is only viable if it is generating and sharing values with society and contributing to the socio-economic development of the regions where it operates.

AMAGGI is present in all regions in Brazil, each with its own social, cultural, and economic characteristics, and, in all, acts with social responsibility, preventing and monitoring possible negative impacts, especially to respect

the human rights of communities. Therefore, together with the André and Lucia Maggi Foundation, it constantly invests in initiatives that contribute to local and human development in communities where AMAGGI is present.

Certain that education is a powerful tool for sustainable development, the company invests in rural extension projects, technological circuits, and research in the agribusiness sector

to disseminate knowledge on best practices in the sector. In this context, prioritizes investments in youngsters who are starting in the job market, so that they can learn, specialize, and contribute to the continuity of sustainable agribusiness.

Socioeconomic advancement and empowerment

AMAGGI believes that education can drive the socio-economic advancement of its employees and local communities. To this end, it invests massively in professional training and rotation opportunities that provide skill enhancement. E.g., all employees have unrestricted access to 325,351.58 hours of technical and behavioral training through our teaching platform, named AMAGGI University, democratizing knowledge at all activity levels. Complementary, a subsidy is offered to employees enrolled in technical courses, undergraduate and graduate courses,

This initiative benefited, on average, 250 employees every year in the past 3 years, of which 263 were promoted.

financing up to 50% of the total amount. Special attention is paid to youngsters entering the market and people with disabilities, providing technical and behavioral training.

AMAGGI, through the André and Lucia Maggi Foundation, has funded, over the past 3 years, scholarships, and financial assistance for 22 youngsters enrolled in the College of Technology in Agro Computing at FATEC Senai in Mato Grosso. This initiative is in line with AMAGGI's desire to generate local impact, income, and employment for youngsters entering the market, in addition to investing in the development of cutting-edge techniques and technologies in the field.



SBP Eligible Project Category	Eligibility Criteria and Example Projects	Expected impact metrics	2019	2020	2021	Total
Socioeconomic advancement and empowerment	Expenditures focused on advancing job growth opportunities through job training, education, and rotational opportunities that provide skill enhancement	Number of hours in employee education programs (technical education, undergraduate and graduate)	-	-	802,471	
		Number of hours in professional technical and behavioral training	90,709.22	157,451.51	77,190.85	
		Number of people who received education support (technical education, undergraduate and graduate)	247	211	286	
		Number of people who received technical and behavioral training	6,320	6,211	7,678	

SBP Eligible Project Category	Eligibility Criteria and Example Projects	Expected impact metrics	2019	2020	2021	Total
		Number of people promoted after or during education programs (technical education, undergraduate and graduate)	77	80	106	
		Number of people promoted after or during technical and behavioral training	1,542	4,190	2,240	
		Number of people with disabilities trained outside the office	-	-	14	
		Number of people with disabilities trained in AMAGGI	242	266	221	
		Number of young people prepared for the job market	20	17	15	
		Total Expenditures and investments (USD)	\$759,951.90	\$433,614.84	\$473,221.52	\$1,666,788.27

AMAGGI University

Inspired by the best practices in the market, the “AMAGGI University” was launched in 2021, an online self-development platform, focused on business results and employees’ needs. Among the courses offered, employees may find more than 45 hours of a wide range of technical and behavioral content, aimed at improving skills and leadership in the professional axis.



In 2021, 37,957.00 USD were invested in mapping traditional, indigenous, and family farming communities, to better understand the surroundings of the areas where AMAGGI operates and how it can contribute to local development. This enables allocating values in the most vulnerable territories and monitoring positive impacts over time.



SBP Eligible Project Category	Eligibility Criteria and Example Projects	Expected impact metrics	2021
Socioeconomic advancement and empowerment	Expenditures related to the promotion of local development, strengthen social prominence, local entrepreneurship and inclusive businesses.	Number of mapped inclusive business or initiatives	53
	Expenditures related to mapping traditional, indigenous and family farming communities.	Number of mapped communities	550
		Expenditures and investments (USD)	\$ 37,957.00

AMAGGI also promotes, through the André and Lucia Maggi Foundation, actions with social impact in regions where the company is present. Between 2019 and 2021, USD 654,541.41 were invested in local development actions, social prominence, and entrepreneurship, in addition to inclusive business.

One of the actions carried out, the Global Challenge, was developed to encourage youngsters aged between 13 and 29 years old to implement their innovative proposals and ideas capable of solving problems perceived in their communities, generate transformative social impacts,

connected to the Sustainable Development Goals (SDG). Eighteen projects were developed, on various themes, such as the environment and recycling, gender issues, refugee assistance, sports practices, accessibility, and employment and income generation.

Another outstanding action, carried out in partnership with another social institution, is the Foundation's role in the Educational Territories Networks Promotion Fund, which encourages actions with partner networks in the integral development of children and adolescents in situations of vulnerability and social exclusion.



Belisa Maggi, CEO at Andre and Lucia Maggi Foundation

SBP Eligible Project Category	Eligibility Criteria and Example Projects	Expected impact metrics	2019	2020	2021	Total
Socioeconomic advancement and empowerment	Expenditures related to the promotion of local development, strengthen social prominence, local entrepreneurship and inclusive businesses	Number of people positively impacted	4,190	16,497	1,391	22,078
		Number of social institutions integrated in FALM's local development initiatives	72	43	181	296
		Number of social leaders and social entrepreneurs involved with FALM's local development initiatives	93	20	102	215
		Number of communities involved and benefited	17	11	598	—
		Total Expenditures and investments (USD)	\$350,272.09	\$197,973.43	\$106,295.89	\$654,541.41



Employment generation, and programs designed to prevent and/or alleviate unemployment

In addition to the impact on health, the economic and social challenges brought by the COVID-19 pandemic have intensified and unfolded into problems that increased social inequalities.

AMAGGI positioned itself at the forefront of coping actions in the states of Amazonas, Mato Grosso, and Rondônia, planned actions through the André and Lucia Maggi Foundation, creating the Emergency Incentive and the Foundation's Incentives.

During the pandemic months, when socioeconomic and health crises affected the most vulnerable groups to a greater extent, the Foundation joined forces with 46 other social institutions to ensure the maintenance of essential activities in the areas of food, health, education, and social protection.

In total, USD 132,780.67 were allocated to projects related to the COVID-19 pandemic, in addition to the capital disbursed in philanthropy, which does not add to the amount stated above.

SBP Eligible Project Category	Eligibility Criteria and Example Projects	Expected impact metrics	2020	2021	Total
Employment generation, and programs designed to prevent and/or alleviate unemployment stemming	Expenditures related to programs and initiatives designed to encourage organizations and social initiatives that are directly acting on the front line with vulnerable publics affected by COVID-19, focusing on the areas of food supply, health, education or social protection so that they can have structure to maintain a transition process from essential needs of the communities to their social regular activities again	Number of social institutions and initiatives benefited	46	45	
		Number of beneficiaries	–	3701	
		Expenditures and investments (USD)	\$107,564.18	\$25,216.49	\$132,780.67

Food security and sustainable food systems

AMAGGI understands that increasing production, so that food can reach everyone, and in an increasingly sustainable manner -without deforestation, with less use of pesticides, less carbon dioxide (CO2) emissions, and respecting Human Rights - are some of the main challenges of this next decade. Therefore, the company continually invests in more efficient production technologies in units as well as guides rural producers in the use of such techniques. AMAGGI believes that the dissemination of good practices contributes to the adoption of socially and environmentally responsible

production. Therefore, the “AMAGGI Technological Circuit” takes place, annually, to share technical information with farmers on key topics such as new cultivars, crop management, responsible use of pesticides, among others.

Over the past 3 years, 8,493 people have benefited through those events on good agricultural practices and sustainable production, and 3,884 farmers have received rural extension services for knowledge and technology transfer.



AMAGGI promotes technical field days for rural producers

SBP Eligible Project Category	Eligibility Criteria and Example Projects	Expected impact metrics	2019	2020	2021
Food security and sustainable food systems	Expenditures related to programs that promote sustainable food systems and sustainable production	Number of farmers and people engaged on events about good agricultural practices and sustainable production	farmers: 987 people: 3,303	farmers: 777 people: 2,839	farmers: 675 people: 2,351
		Number of farmers who received rural extension services	1,128	1,280	1,476

Resources Expenditure:

SBP Eligible Project Category	Eligibility Criteria and Example Projects	2019	2020	2021	Triennium
Environmentally Sustainable Management of Living Natural Resources and Land Use	Expenditures related to sustainable sourcing (procurement) of certified products	\$259,716,279.61	\$123,410,584.77	\$154,124,331.85	\$537,251,196.23
Preservation of Natural Resources and Biodiversity	Expenditures related to the conservation or protection of natural resources, native vegetation and biodiversity, including maintenance or restoration of high conservation value areas and other conservation areas	\$139,849.81	\$158,328.04	\$229,124.53	\$527,302.39
Climate Change Mitigation	Expenditures related to the implementation, operation, and maintenance of tools to mitigate and monitor supply chain socioenvironmental risk, especially deforestation and conversion criteria through real time fire warning systems	\$3,228,794.31	\$4,636,226.09	\$4,842,672.02	\$12,707,692.42
Socioeconomic advancement and empowerment	Expenditures focused on advancing job growth opportunities through job training, education, and rotational opportunities that provide skill enhancement	\$759,951.90	\$433,614.84	\$473,221.52	\$1,666,788.27
	Expenditures related to the promotion of local development, strengthen social prominence, local entrepreneurship and inclusive businesses	\$350,272.09	\$197,973.43	\$106,295.89	\$654,541.41
	Expenditures related to mapping traditional, indigenous and family farming communities.	N/A	N/A	\$37,957.00	\$37,957.00
Employment generation, and programs designed to prevent and/or alleviate unemployment stemming	Expenditures related to programs and initiatives designed to encourage organizations and social initiatives that are directly acting on the front line with vulnerable publics affected by COVID-19, focusing on the areas of food supply, health, education or social protection so that they can have structure to maintain a transition process from essential needs of the communities to their social regular activities again	N/A	\$107,564.18	\$25,216.49	\$132,780.67
Food security and sustainable food systems	Expenditures related to programs that promote sustainable food systems and sustainable production	\$1,304,553.56	\$1,095,217.76	\$962,986.99	\$3,362,758.31
Total:		\$265,499,701.28	\$130,039,509.12	\$160,801,806.29	\$556,341,016.69

Unallocated balance: \$193,658,983.31

AMAGGI

Type of Engagement: Annual Review

Date: January 13, 2022

Engagement Team:

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Introduction

In January 2021, AMAGGI (the “Company”) issued sustainability bonds aimed at financing green and social projects under the AMAGGI Sustainability Bond Framework (“the Framework”).¹ Sustainalytics provided a Second-Party Opinion for this Framework in December 2020.² In October 2021, AMAGGI engaged Sustainalytics to review the projects funded through the issued 2021 sustainability bonds and provide an assessment as to whether the projects met the Use of Proceeds criteria and the Reporting commitments outlined in the AMAGGI Framework.

Evaluation Criteria

Sustainalytics evaluated the projects and assets funded with proceeds from the 2020 sustainability based on whether the projects and programmes:

1. Met the Use of Proceeds and Eligibility Criteria outlined in the AMAGGI Sustainability Bond Framework; and
2. Reported on at least one of the Key Performance Indicators (KPIs) for each Use of Proceeds criteria outlined in the AMAGGI Sustainability Bond Framework.

Table 1 lists the Use of Proceeds, and Eligibility Criteria, while Table 2 lists the associated KPIs.

Table 1: Use of Proceeds and Eligibility Criteria

Use of Proceeds	Eligibility Criteria
Environmentally Sustainable Management of Living Natural Resources and Land Use	<p>Expenditures related to acquisition, long term leasing, maintenance, operation of farms, including:</p> <ul style="list-style-type: none"> • New farm operations (acquisitions or long term leased land): including farms with low productivity or with degraded areas that implement good agricultural practices and sustainable production intended to be certified by well recognized sustainable standards - ProTerra, Round Table on Responsible Soy (RTRS), 2BSvs or ISCC - after some years. • Research and implementation of biological control (including techniques used for pest control to reduce the application of agrochemicals); and innovative agricultural practices such as climatology, connectivity in the field and efficiency for machinery and best agricultural practices. <p>Expenditures and investments related to own production, development, operation, construction of associated infrastructure of more socioenvironmental efficient and sustainable certified products including the following schemes:</p> <ul style="list-style-type: none"> • Grains (soy and corn): ProTerra, Round Table on Responsible Soy (RTRS), 2BSvs or ISCC. <p>Expenditures related to sustainable sourcing (procurement) of certified products including the following schemes:</p>

¹ Amaggi, “Sustainability Bond Framework”, (2020), at: <https://d3w0jmyq4esgw1.cloudfront.net/wp-content/uploads/2021/01/AMAGGI-Sustainability-Bond-7.pdf>

² Sustainalytics, “AMAGGI Sustainability Bond Framework Second-Party Opinion”, (2020), at: https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/amaggi-sustainability-bond-framework-second-party-opinion.pdf?sfvrsn=790feae6_3

	<ul style="list-style-type: none"> Grains (soy and corn): ProTerra, Round Table on Responsible Soy (RTRS), 2BSvs or ISCC.
Preservation of Natural and Biodiversity	Expenditures related to the conservation or protection of natural resources, native vegetation and biodiversity, including maintenance or restoration of high conservation value areas and other conservation areas.
Climate Change Mitigation	Expenditures related the implementation, operation, and maintenance of tools to mitigate and monitor supply chain socioenvironmental risk, especially deforestation and conversion criteria through real time fire warning systems. Examples include: AMAGGI ORIGINAR 2.0 system
Socio-Economic Advancement and Empowerment	<p>Expenditures focused on advancing job growth opportunities through job training, education, and rotational opportunities that provide skill enhancement. Examples include: Young Apprentice Program, Education Aid Program, Inclusion and Diversity Program; Agro-computing Technology Course.</p> <p>Expenditures related to the promotion of local development, strengthen social prominence, local entrepreneurship and inclusive businesses.</p> <p>Expenditures related to mapping traditional, indigenous and family farming communities, in order to provide a more comprehensive and complex view of the socioeconomic scenario and vulnerabilities to further implement jurisdictional, regional or local strategies for their development.</p>
Employment Generation and programs designed to prevent and/or alleviate unemployment	Expenditures related to programs and initiatives designed to encourage organizations and social initiatives that are directly acting on the front line with vulnerable populations affected by COVID-19, with a focus on the areas of food supply, health, education or social protection so that they can have structure to maintain a transition process from essential needs of the communities to their social regular activities again.
Food Security and Sustainable Food Systems	Expenditures related to programs that promote sustainable food systems and sustainable production. Examples include: Responsible Grain Chain Management Program, Farmer Solution Programs, Technological Circuit, Support to family agricultural projects and Responsible Logistics Program.

Table 2: Key Performance Indicators associated with the Use of Proceeds

Use of Proceeds	Key performance indicators (KPIs)³
Environmentally Sustainable Management of Living Natural Resources and Land Use	<ul style="list-style-type: none"> Total area of new farm operations with good agricultural practices implemented Total volume produced on new farm operations with good agricultural practices implemented Total area of certified farms Total volume of certified grains Total area with research and implementation of biological control Number of research and implementations of innovative agricultural Total area of certified farms Total volume of certified grains Total area of preserved and conserved native vegetation at procured certified farms.

³ These include all the example KPIs mentioned in the AMAGGI Sustainability Bond Framework. AMAGGI has communicated with Sustainalytics that the actual KPIs reported on by AMAGGI have been selected from this list. For further details, see Appendix 1.

Preservation of Natural and Biodiversity	<ul style="list-style-type: none"> • Area of land conserved in hectares • Area of land revegetated or in restoration process • Volume of carbon stock on the conserved area
Climate Change Mitigation	<ul style="list-style-type: none"> • Total area in hectares monitored and registered at ORIGINAR system • Percentage of traceability of direct suppliers in the priority jurisdictions • Percentage of the volume from the priority jurisdictions that are deforestation free
Socio-Economic Advancement and Empowerment	<ul style="list-style-type: none"> • Number of hours in education/training • Number of people who received education/training • Number of people promoted after or during training/education programs • Number of people with disabilities employed and/or trained • Number of young people prepared for the job market • Number of people positively impacted • Number of social institutions as part of the local development network • Number of social leaders and social entrepreneurs acting in their communities • Number of inclusive business or initiatives created • Number of communities involved and benefited • Number of mapped communities • Number of beneficiaries by the implemented strategies • Number of partnerships created for the development of communities. • Number of communities involved and benefited
Employment Generation and programs designed to prevent and/or alleviate unemployment	<ul style="list-style-type: none"> • Number of social institutions and initiatives benefited • Number of beneficiaries
Food Security and Sustainable Food Systems	<ul style="list-style-type: none"> • Number of farmers involved • Number of farmers and people engaged on events about good agricultural practices and sustainable production • Number of farmers who received rural extension services • Number of beneficiaries • Number of communities involved and benefited

Issuing Entity's Responsibility

AMAGGI is responsible for providing accurate information and documentation relating to the details of the projects that have been funded, including description of projects, amounts allocated, and project impact.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of AMAGGI's Sustainability Bond Use of Proceeds. The work undertaken as part of this engagement included collection of documentation from AMAGGI employees and review of documentation to confirm the conformance with the AMAGGI Sustainability Bond Framework.

Sustainalytics has relied on the information and the facts presented by AMAGGI with respect to the Nominated Projects. Sustainalytics is not responsible nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by AMAGGI.

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

Conclusion

Based on the limited assurance procedures conducted,⁴ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed bond projects, funded through proceeds of AMAGGI's Sustainability Bond, are not in conformance with the Use of Proceeds and Reporting Criteria outlined in the AMAGGI Sustainability Bond Framework. AMAGGI has disclosed to Sustainalytics that it raised a total of USD 750 million from the sustainability bond issuance, of which USD 556.34 million has been allocated as of December 2021.

Detailed Findings

Table 3: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the projects funded by the sustainability bond in 2019, 2020, and 2021 to determine if projects aligned with the Use of Proceeds Criteria outlined in the AMAGGI Sustainability Bond Framework and above in Table 1.	All projects reviewed complied with the Use of Proceeds criteria.	None
Reporting Criteria	Verification of the projects funded by the sustainability bond in 2019, 2020, and 2021 to determine if impact of projects was reported in line with the KPIs outlined in the AMAGGI Sustainability Bond Framework and above in Table 2. For a list of KPIs reported please refer to Appendix 1.	All projects reviewed reported on at least one KPI per Use of Proceeds criteria.	None

⁴ Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Appendix

Appendix 1: Allocation and Impact Reporting by Eligibility Criteria of Use of Proceeds Categories

1. Allocation Reporting by Use of Proceeds Categories

Use of Proceeds Category	Net Bond Proceeds Allocation (USD)				Percentage of total Net Bond Proceeds (%)
	2019	2020	2021	Total	
Environmental Categories	\$263,084,924	\$128,205,139	\$159,196,128	\$550,486,191	98.9
Environmentally Sustainable Management of Living Natural Resources and Land Use	\$259,716,280	\$123,410,585	\$154,124,332	\$537,251,196	96.6
Preservation of Natural and Biodiversity	\$139,850	\$158,328	\$229,125	\$527,302	0.1
Climate Change Mitigation	\$3,228,794	\$4,636,226	\$4,842,672	\$12,707,692	2.3
Social Categories	\$2,414,778	\$1,834,370	\$1,605,678	\$5,854,826	1.1
Socio-Economic Advancement and Empowerment	\$1,110,224	\$631,588	\$617,474	\$2,359,287	0.4
Employment Generation and programs designed to prevent and/or alleviate unemployment	0	\$107,564	\$25,217	\$132,781	0.02
Food Security and Sustainable Food Systems	\$1,304,554	\$1,095,218	\$962,987	\$3,362,758	0.6

2. Impact Reporting by Environmental Use of Proceeds Categories

Use of Proceeds Category	Environmental Impact Reported by Eligibility Criteria
Environmentally Sustainable Management of Living Natural Resources and Land Use	<ul style="list-style-type: none"> • Total area of certified farms: 1,005,998.99 hectares • Total volume of certified grains: 1,962,812.16 tonnes • Total area of preserved and conserved native vegetation at procured certified farms: 382,783.58 hectares.
Preservation of Natural and Biodiversity	<ul style="list-style-type: none"> • Total area of land conserved: 411,690.6 hectares • Total area of land revegetated or in restoration process: 488.01 hectares • Investment in mapping biodiversity values and monitoring plan (USD): \$97,271.25 • Total volume of carbon stock on the conserved area: 220,462,012.69 tonnes
Climate Change Mitigation	<ul style="list-style-type: none"> • Total area of land monitored and registered in the ORIGINAR System: 28,470,000 hectares • Percentage of traceability of direct suppliers in the priority jurisdictions: <ul style="list-style-type: none"> ○ 2021: 99% ○ 2020: 98% ○ 2019: 86% • Percentage of the volume from the priority jurisdictions that are deforestation free:⁵ <ul style="list-style-type: none"> ○ 2021: 99% ○ 2020: 99% • Investments in new and technologies, such as regenerative and low-carbon agriculture, precision agriculture, and microclimate monitoring (USD): \$12,024,336.49

3. Impact Reporting by Social use of Proceeds Categories

Use of Proceeds Category	Sub-Category	Social Impact Reported by Eligibility Criteria
Socio-Economic Advancement and Empowerment	Expenditures focused on advancing job growth opportunities through job training, education, and rotational opportunities that provide skill enhancements.	<ul style="list-style-type: none"> • Number of hours in employee education programs (technical education, undergraduate and graduate): 802, 471 • Number of hours in professional technical and behavioural training: 325,351.58 • Number of people who received education support: <ul style="list-style-type: none"> ○ 2021: 286

⁵ AMAGGI has communicated with Sustainalytics that it started to report the percentage of volume from deforestation free jurisdictions only from 2020 onwards.

		<ul style="list-style-type: none"> ○ 2020: 211 ○ 2019: 247 • Number of people who received technical and behavioural training: <ul style="list-style-type: none"> ○ 2021: 7678 ○ 2020: 6211 ○ 2019: 6320 • Number of people promoted each year, after or during education programs (technical education, undergraduate and graduate): <ul style="list-style-type: none"> ○ 2021: 106 ○ 2020: 80 ○ 2019: 77 • Number of people promoted each year, after or during technical and behavioural training: <ul style="list-style-type: none"> ○ 2021: 2240 ○ 2020: 4190 ○ 2019: 1542 • Number of people with disabilities trained outside the office: 14 • Number of people with disabilities trained in AMAGGI: 729 • Number of young people prepared for the job market: 52
Socio-Economic Advancement and Empowerment	Expenditures related to the promotion of local development, strengthen social prominence, local entrepreneurship, and inclusive businesses.	<ul style="list-style-type: none"> • Number of people positively impacted: 22,078 • Number of social institutions integrated in FALM's local development activities: 296 • Number of social leaders and social entrepreneurs involved with FALM's local development initiatives: 215 • Number of communities involved and benefited: 626 • Number of mapped inclusive business or initiatives: 53
Socio-Economic Advancement and Empowerment	Expenditures related to mapping traditional, Indigenous, and family farming communities.	<ul style="list-style-type: none"> • Number of mapped communities: 550
Employment Generation and programs	Expenditures related to programs and initiatives designed to encourage organizations and	<ul style="list-style-type: none"> • Number of social institutions and initiatives benefitted: 91

⁶ The Fundação André e Lucia Maggi (FALM) is a federal non-profit institution that coordinates all AMAGGI's private social investments. For more details, see: <https://www.fundacaoandreeluciamaggi.org.br/en/the-foundation/about-us/>

<p>designed to prevent and/or alleviate unemployment</p>	<p>social initiatives that are directly acting on the front line with vulnerable public affected by COVID-19, with a focus on the areas of food supply, health, education or social protection so that they can have a structure to maintain a transition process from essential needs of the communities to their social regular activities</p>	<ul style="list-style-type: none"> • Number of beneficiaries: 3701
<p>Food Security and Sustainable Food Systems</p>	<p>Expenditures related to programs that promote sustainable food systems and sustainable production</p>	<ul style="list-style-type: none"> • Number of people engaged on events about good agricultural practices and sustainable production: 8,493 • Number of farmers engaged on events about good agricultural practices and sustainable production: 2,439 • Number of farmers who received rural extension services: 3,884

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