

# PROGRESS REPORT 2023

TOWARDS A GRAIN CHAIN FREE OF  
DEFORESTATION AND CONVERSION  
OF NATIVE VEGETATION

AMAGGI 







# Summary

# Message from the CEO

It is with great satisfaction that we present our 2023 Progress Report to the public. We have been dedicated to Brazilian agribusiness for over 45 years, reflecting our ongoing commitment to sustainability and innovation. This report is a testament to our efforts and achievements towards a grain chain free of deforestation and conversion of native vegetation.

In 2023, we took significant steps to strengthen our position as a world leader in marketing certified soybeans and promoting responsible socio-environmental practices.

The 2023 Progress Report highlights our commitment to sustainability, innovation and responsible socio-environmental practices in agribusiness.



Our guarantee of origin program, ORIGINS, has expanded, offering modules that ensure responsible and traceable grain production with international recognition. Our membership in the Visión Sectorial del Gran Chaco Argentino (VISEC) initiative for monitoring soybeans in Argentina highlights our efforts to expand sustainability beyond Brazil's borders.

We have also remained engaged in important global discussions, such as the new European directive on deforestation, reinforcing our position as a protagonist on the international stage. Through the Technological Circuit, we continue disseminating knowledge and good agricultural practices, supporting hundreds of producers and promoting sustainability in our operations.

Looking to the future requires efforts in the present: We are investing heavily in adopting biodiesel to advance the decarbonization agenda of our operations. Today, we not only produce biodiesel but also use it in its 100% format (B100) in part of our road truck fleet. We carried out the first test trip in the country of a B100 vessel and announced the first farm in Brazil, whose machinery is powered entirely by B100.

We are firmly committed to eliminating deforestation and native vegetation conversion from our soybean supply chain by 2025. Our efforts to achieve this goal are evident in the actions and results presented in this report, such as AMAGGI's Regenerative Agriculture program and Amaggi Regenera, the details of which can be found on the following pages.

I would like to thank all the collaborators, partners, and communities that make this journey possible. Together, we continue to build a more sustainable future, balancing economic growth with social and environmental responsibility.

Enjoy

**Judiney Carvalho de Souza**  
CEO, AMAGGI





# About AMAGGI'S performance

AMAGGI was founded in 1977 and operates in an integrated and sustainable manner throughout the grain and fiber chain. Its activities include the origination and marketing of grains and inputs, grain processing, port operations, road and river transportation, agricultural production, and generation and marketing of electricity.

With headquarters in Cuiabá, Mato Grosso, the company is present in all regions of Brazil and organizes its operations into four business areas. It also has offices and units in Argentina, Paraguay, the Netherlands, Norway, Switzerland, China, and Singapore.

AMAGGI also makes social investments through the André and Lucia Maggi Foundation, which has stood out for over 26 years for its established partnerships to promote sustainable development.

## Business Areas



### AGRO

Agricultural production of soybeans, corn, and cotton, in addition to soybean seeds.



### COMMODITIES

The purchase and sale of grains, such as soybeans and corn, and the import and sale of agricultural inputs are also involved.



### ENERGY

Generation and sale of renewable electrical energy.



### LOGISTICS AND OPERATIONS

Port, river, rail, and road transport. Also includes grain processing (soybean and corn) and fertilizer production (mixing plant).





# 2023 acknowledgements



## Forest 500

For the third year in a row, AMAGGI has been recognized in Global Canopy's Forest 500 ranking for its actions against deforestation. Among the 350 companies and 150 financial institutions evaluated, AMAGGI ranked first in the soybean segment and second in the global ranking. It is recognized for its environmental commitments, defense of human rights, and transparency.



## CDP

AMAGGI stood out on the Carbon Disclosure Program (CDP) global list in the Forests category, obtaining a leadership grade (A-). It was the only soybean producer and trader to achieve this position, surpassing the average for the agricultural sector in South America (B-) and the global CDP average (C). In addition, AMAGGI also stood out, receiving a B grade in Climate Change in its first year of reporting in this category. CDP recognizes initiatives that reduce carbon emissions and mitigate climate change, promoting best practices in environmental leadership.



## More Integrity

AMAGGI has once again received the certificate reaffirming its commitment to good integrity practices. The Ministry of Agriculture and Livestock (Mapa) granted the award during the 6th edition of the More Integrity Seal in Brasília. Created in 2018, the seal recognizes companies that stand out in social responsibility, environmental sustainability, and ethics.



## Leadership in grain certification

AMAGGI is one of the world's leading suppliers of soybeans and corn, certified as free from deforestation and conversion of native vegetation (DCF). In 2023, AMAGGI was the company with the most significant volume of soybeans certified by the Round Table on Responsible Soy Association (RTRS), representing 19% of the world's volume of certified soybeans. In addition, more than 800,000 tons of soybeans and corn sold by AMAGGI received the ProTerra and 2BSvs certifications. AMAGGI's grain origin guarantee standard, Origins Field, was recognized for the second consecutive year by the European Federation of Feed Manufacturers (FEFAC).





# AMAGGI ESG goals

In September 2021, AMAGGI launched a new set of ESG (Environmental, Social, and Governance) goals, including those related to forests and native vegetation. These goals are part of the commitment “Towards a Grain Chain Free of Deforestation and Conversion of Native Vegetation,” presented during the launch event of the “Embrace the Future” strategy.



Provide **innovative products and solutions** for an ethical chain free from deforestation and conversion of native vegetation, promoting regeneration and low carbon emissions.



Remaining **free of deforestation and conversion of native vegetation (Deforestation and Conversion Free - DCF)** in agricultural production on its own farms since 2008. Committed to environmental preservation, the company ensures that its expansion occurs exclusively in previously cleared areas.



By 2025, we aim to have a **fully traceable grain and fiber supply chain free of environmental restrictions**, completely free of deforestation and conversion of native vegetation (Deforestation and Conversion Free—DCF) for agricultural production. This goal covers all biomes, countries, and regions where AMAGGI is present.



In line with the Science Based Targets Initiative (SBTi), **achieve net zero emissions by 2050**. This goal will be achieved through decarbonization strategies by 2035 and neutralization of any residual emissions. The emphasis will be on promoting regenerative, low-carbon agriculture capable of protecting biodiversity and the energy transition to more sustainable sources.





# Commitment to transparency

To respond transparently to society's and stakeholders' demands, AMAGGI publishes its Progress Report annually, related to the commitment "Towards a Grain Chain Free of Deforestation and Conversion of Native Vegetation." This is the sixth report, referring to the results of 2023.

The document provides transparency on the company's results based on the commitment undertaken, goals, and implementation plans. Its main emphasis is the accountability of items related to managing forests and native vegetation.

Other sustainability-related topics are detailed in AMAGGI's ESG Report, available [here](#).



# Commitment trajectory

Throughout its ESG journey, which began in 2003 and has been improved year after year, AMAGGI has developed its governance structure, established a socio-environmental management system, and engaged in projects, partnerships, and initiatives aimed at the sustainable development of agribusiness. The company has also implemented internal mechanisms and socio-environmental purchasing criteria, a geospatial monitoring system for the grain chain, and its own regenerative agriculture program, among other initiatives that have enabled it to achieve important results, such as improving responsible purchasing, monitoring suppliers, and traceability of grains from their origin.

## AMAGGI's ESG Journey



2017

AMAGGI launched its Global Sustainability Positioning, making a commitment "Towards a Deforestation-Free Supply Chain" – based on experience and knowledge of the challenges of the grain chain.



2019

The company has updated its commitment to "Towards a Grain Chain Free from Deforestation and Native Vegetation Conversion" in response to new transparency recommendations highlighted in major sustainability publications.



2021

During the launch event of the "Embrace the Future" strategy, AMAGGI once again updated its commitment "Towards a Grain Chain Free of Deforestation and Conversion of Native Vegetation." The new document, based on the structure and guidelines of the Accountability Framework Initiative (AFi), includes commitments, an implementation plan, and forms of monitoring, verification, and reporting. The most up-to-date data for these are available in this Progress Report.



2022

AMAGGI, with other agricultural commodity traders, has become a signatory to the 'Agriculture Sector Roadmap to 1.5°C' with the aim of accelerating sector action on land use change.



2023

AMAGGI has published its Human Rights Policy, reaffirming its commitment to respecting human rights in all operations, from the supply chain to local communities. In addition, the AMAGGI Regenera Program was launched, focused on regenerative and low-carbon agriculture, aiming to restore soil health and biodiversity, encouraging sustainable practices among producers and family farmers.



# Understand the Commitment

## Commitment scope

**The commitment applies to all biomes and regions where AMAGGI's operations are located in Brazil and abroad.** This includes all activities controlled by the company, such as its own agricultural production and grain sourcing in the supply chain, including direct and indirect suppliers. A supplier may either be a direct supplier (selling directly to the buyer) or an indirect supplier (selling to an intermediary that is one or more steps removed from the buyer).

## Joint ventures

AMAGGI also encourages its joint ventures to make commitments that reflect their values and those of the other partner companies. In addition, it encourages the transparency of results independently and continuously, ensuring that all parties are aligned with the principles of responsibility and sustainability.

## Commitment Elements



No deforestation and conversion of native vegetation



Legal compliance and an ethical and sustainable supply chain



Regenerative And Low-Carbon Agriculture



Respect and promotion of human rights



This commitment covers agricultural production and origination, of grain, considering all suppliers — direct, intermediate, and indirect — regardless of the legality of the area's opening. AMAGGI is also **committed to maintaining all sectoral agreements to which it is a signatory for protecting forests and native vegetation**, such as the Soy Moratorium and the Pará Green Grain Protocol.

# No deforestation and conversion of native vegetation



## Commitment goals



2021

100% traceability and monitoring of direct suppliers from Brazil's Amazon and Cerrado biomes.



2022

100% traceability and monitoring of direct suppliers in Brazil.



2025<sup>1</sup>

100% of the grain chain is free from deforestation and conversion of native vegetation for agricultural production.

100% traceability and monitoring of direct and indirect suppliers in all locations and biomes where AMAGGI operates.



Beyond 2025

AMAGGI will take measures to support the protection of forests and natural ecosystems, foster restoration, and implement financial mechanisms that promote the conservation of priority areas. In addition, it will encourage sustainability in grain production, mainly by promoting regenerative agriculture.

<sup>1</sup>. AMAGGI established December 31, 2025 as the target date and January 1, 2025 as the cut-off date for the commitment. For the Amazon biome, the cut-off date remains 2008, as established in the Soy Moratorium.



# No deforestation and conversion of native vegetation



## Soy moratorium

In its ongoing commitment to preserving the Amazon biome, AMAGGI is a signatory to the Soy Moratorium, a commitment established in 2006 by companies associated with the Brazilian Association of Vegetable Oil Industries (Abiove) and the National Association of Cereal Exporters (Anec). This commitment determines that the signatory companies undertake not to sell soybeans from areas of this biome that were deforested after 2008.

## Pará green grain protocol

Since 2018, AMAGGI has been a signatory to the Green Grain Protocol, an initiative to ensure socio-environmental responsibility in grain production in Pará. Through this protocol, the company prohibits the movement of grains from areas that have been illegally deforested. This significant action results from a partnership between the Federal Public Prosecutor's Office, the state government of Pará, the Ministry of the Environment, the State Secretariat for the Environment and Sustainability, and private sector companies.

## Reference date for assessing progress

To demonstrate its efforts to fulfill its commitment within the established deadline, the company adopts 2020 as a reference year for monitoring the incidence of deforestation in the grain supply areas of its production chain. This information is disclosed transparently to its stakeholders.

## Commitment cut-off date

AMAGGI has established January 1, 2025, as the cut-off date for having a grain chain free from deforestation and conversion of native vegetation (DCF) for agricultural production, considering all biomes, countries, and regions where it is located. For the Amazon biome, the cut-off date remains 2008, as established in the Soy Moratorium.



# Legal compliance and an ethical and sustainable supply chain



AMAGGI is **committed to legal compliance in its operations and supply chain to ensure compliance with local**, national, and international laws related to social, environmental, forestry, and anti-corruption aspects. **The company does not commercialize grains from productive areas that are subject to:**

- Embargoes by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA) and state environmental agencies.
- Indigenous lands and fully protected conservation units;
- Areas deforested after 2008 in the Amazon biome, not in compliance with the Soy Moratorium.
- Areas not in compliance with the Green Grain Protocol of Pará.
- Dirty List of Slave Labor.



# Regenerative and low carbon agriculture



In addition to seeking to evolve in the accounting and mitigation of its own greenhouse gas emissions and those of its chain, AMAGGI is also committed to preserving areas of high conservation value (HCV) and carbon stocks (HCS), emphasizing the importance of biodiversity and water resources, and promoting forest restoration, among other relevant topics.

**The central goal is to achieve net zero emissions by 2050, with decarbonization strategies by 2035 and neutralization of residual emissions aligned with the Science Based Targets initiative (SBTi).**

To implement its decarbonization strategy through regenerative agriculture, the company launched the Amaggi Regenera program. AMAGGI is also committed to sharing knowledge throughout its value chain and to seeking sustainable products and solutions, offering innovations for an ethical chain, free from deforestation and conversion of native vegetation, regenerative and with reduced carbon emissions.







## Respect and promotion of human rights



**AMAGGI is committed to respecting and promoting human rights in its operations, value chain, and local communities**, including those of employees, workers, small producers, family farmers, Indigenous peoples, traditional communities, and other stakeholders impacted by its activities in all locations where it operates.

In this commitment, AMAGGI addresses, for example:

- The promotion and inclusion of small farmers.
- The elimination of all forms of discrimination.
- The provision of the Confidential Channel and the Women's Channel, intended to investigate non-compliance with the legislation and ethical principles of AMAGGI.
- The right land use and Free, Prior, and Informed (FPIC) ensuring that indigenous peoples and local communities have their rights assured.
- Other topics relevant to the promotion of responsible agriculture.

In 2023, the company took an important step by publishing its Human Rights Policy, based on the United Nations (UN) Guiding Principles on Business and Human Rights. This document reinforces AMAGGI's commitment to preventing, mitigating, and remedying negative impacts on human rights in its operations. This includes implementing a Human Rights Due Diligence Process, which includes periodic assessments of suppliers to ensure compliance with the company's standards.

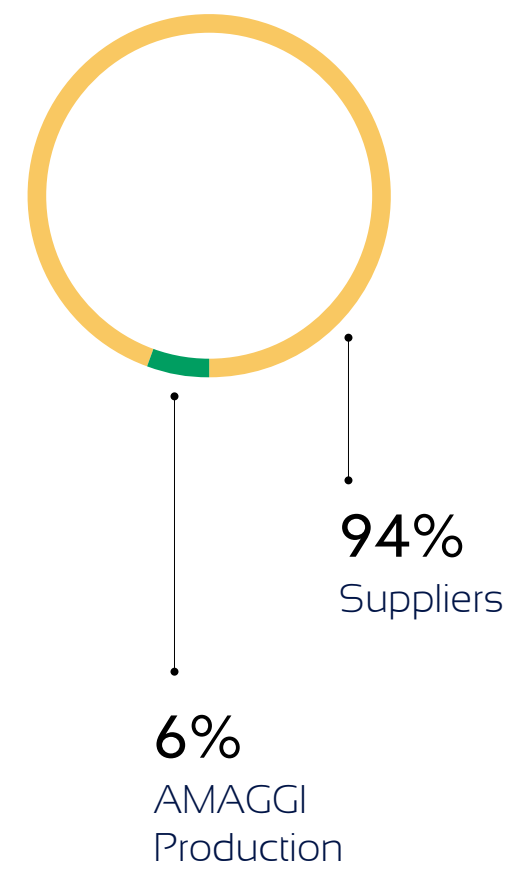


# Commitment Scope

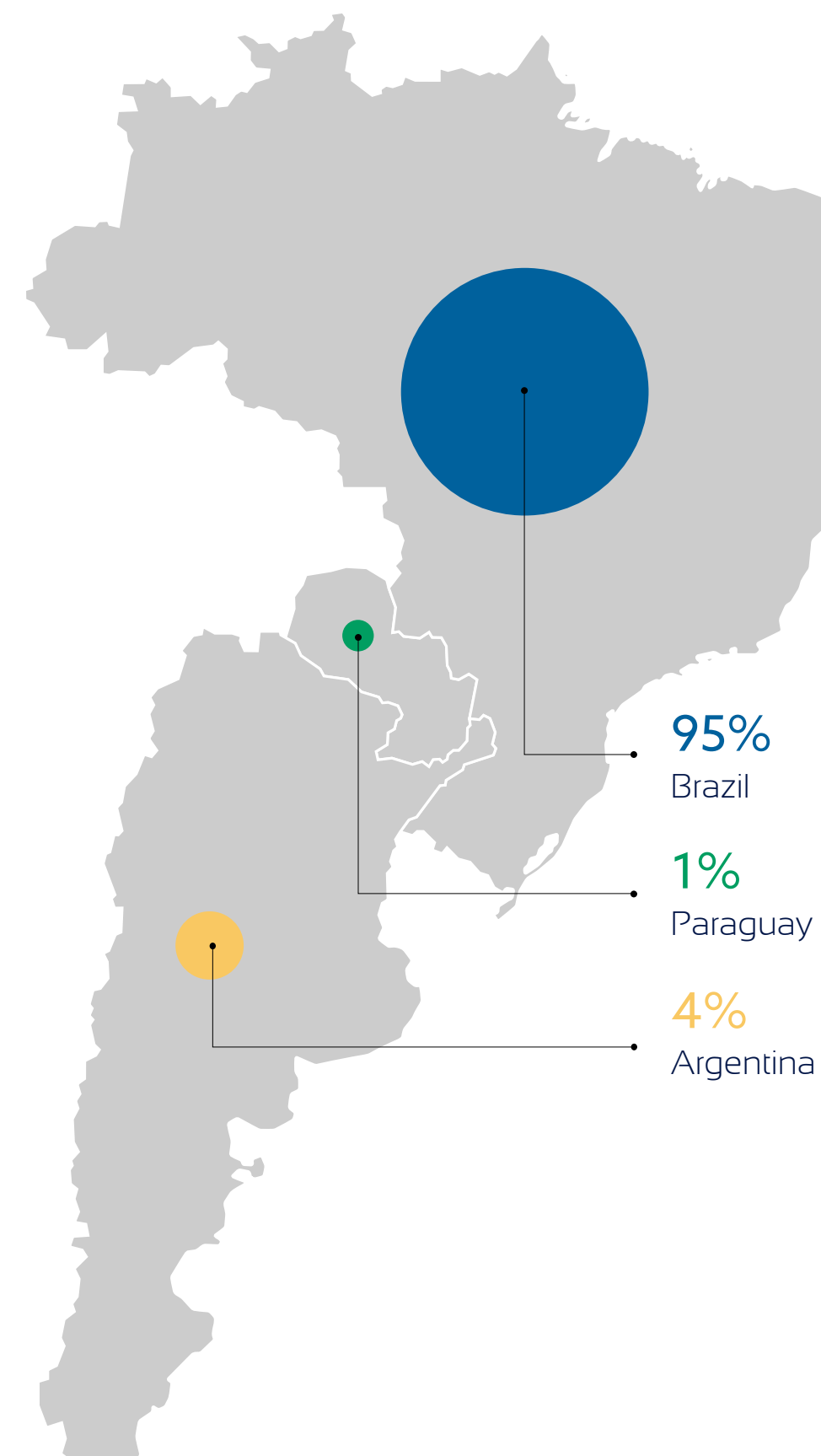
Understanding the scope of AMAGGI's commitment involves understanding its strategic presence and responsibility throughout its value chain and its own operations. AMAGGI's grain farms are located in Brazil, with 12 units in Mato Grosso and one in Rondônia. In addition, the company sources grain from rural producers, with Brazil being the largest supplier in volume, followed by Paraguay and Argentina in smaller proportions. This geographic distribution highlights the need for AMAGGI to have a clear and consistent positioning regarding its commitments at all stages of its supply chain and internal operations.



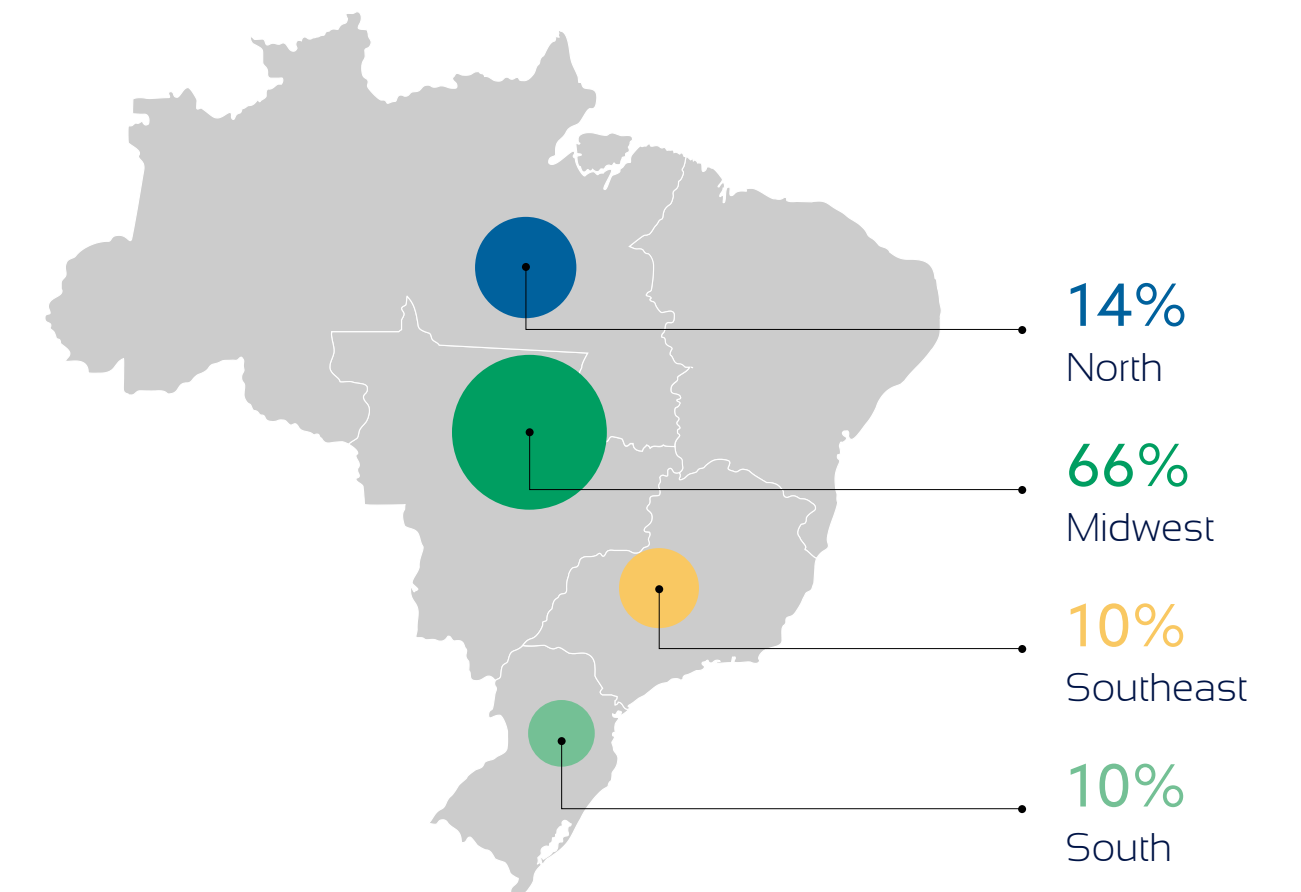
**PRODUCTION**  
CROP 2022/2023



**% OF SOYBEAN SUPPLIERS BY COUNTRY**  
CROP 2022/2023



**VOLUME OF SOYBEAN ORIGINATED BY REGION IN BRAZIL**  
CROP 2022/2023



**VOLUME OF SOYBEAN ORIGINATED BY BIOME**  
CROP 2022/2023







## Priority jurisdictions: Amazon and Cerrado

To fulfill its commitment “Towards a Grain Chain Free from Deforestation and Conversion of Native Vegetation”, AMAGGI is focusing its efforts and prioritizing actions in areas and regions at greatest risk. This includes locations where the company is present and that are crucial to the sustainability and expansion of its business, as well as areas with a significant history of conversion of native vegetation for agriculture and ecosystems vulnerable to agricultural expansion. In addition, AMAGGI is focused on mitigating risks of human rights violations, using its own mapping and consultations, as well as public indexes such as the Dirty List of Slave Labor.

In 2023, the company continued to prioritize all municipalities where it operates in the Amazon and Cerrado biomes in Brazil, recognized for their critical importance for both environmental conservation and sustainable agricultural production. These jurisdictions represent 78% of the total volume of soybeans produced by the company, considering Brazil, Paraguay, and Argentina. The combination of the Amazon and Cerrado biomes continued to represent 77,9% of the total originated in Brazil. The remaining 22% of the company’s origination in the country is in already consolidated regions, with low or no risk of deforestation and conversion of native vegetation.



AMAGGI is focused on mitigating risks of human rights violations, using its own mappings and consultations.



## AMAZON BIOME

The Amazon biome encompasses vast ecosystems, including the Amazon River basin and the Amazon Rainforest. It is recognized as the region with the greatest biodiversity on the planet and the largest biome in Brazil. In addition to its significant territory in Brazil, where it occupies approximately 49.29% of the national territory in the states of Acre, Amapá, Amazonas, Pará, Roraima, Rondônia, Mato Grosso, Maranhão and Tocantins, the biome extends to other countries such as Bolivia, Colombia, Ecuador, Guyana, French Guiana, Peru, Suriname and Venezuela, totaling approximately 6.9 million km<sup>2</sup>.

In the Brazilian context, the Amazon biome is home to approximately 33 million inhabitants, including approximately 1.6 million indigenous people. However, it faces challenges related to illegal deforestation for activities such as land grabbing of public lands, illegal mining, illegal logging, threatening both nature and indigenous communities, as well as illegal deforestation for activities such as cattle production and agricultural cultivation.

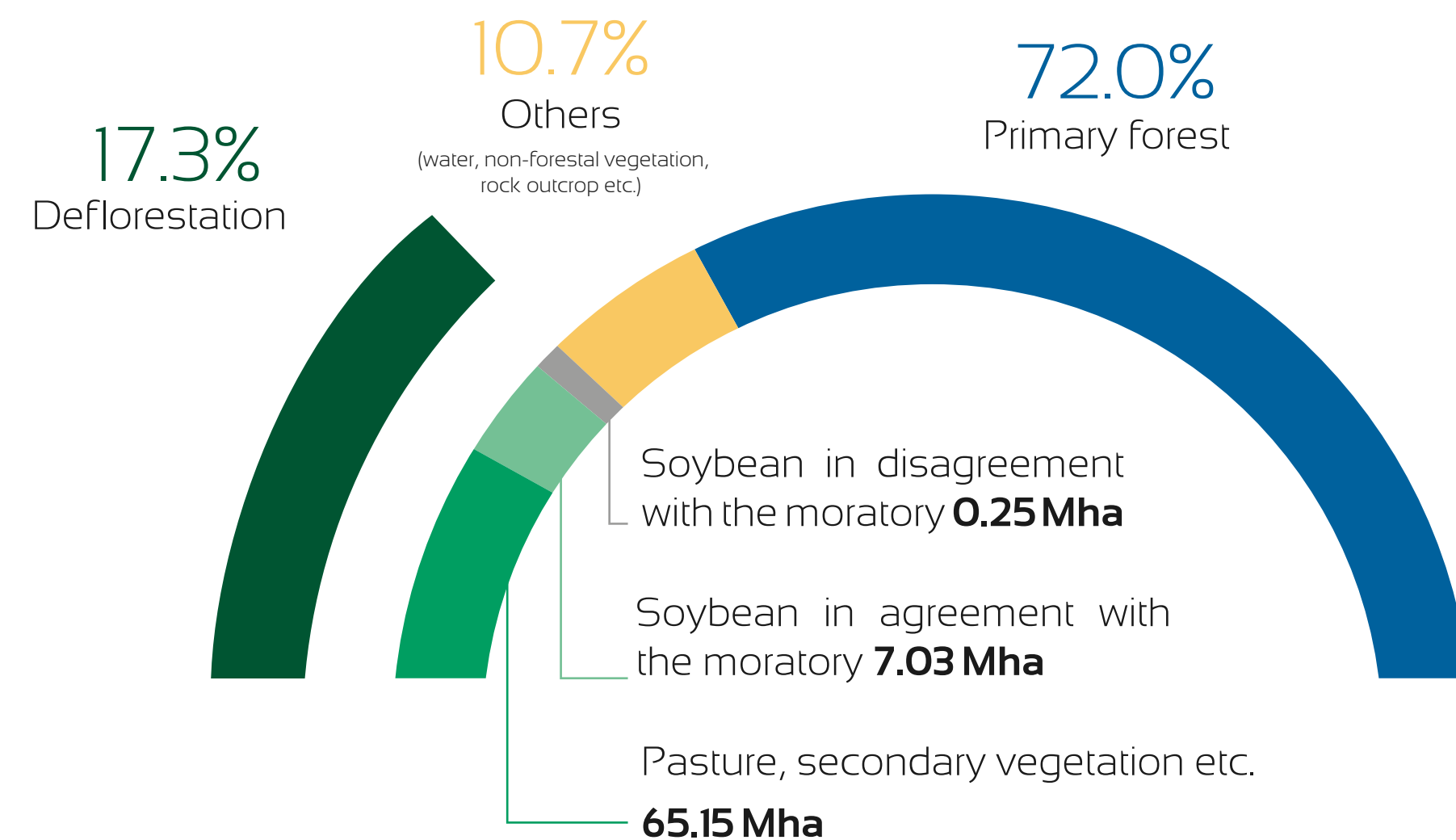
An initiative to mitigate these impacts is the Soy Moratorium, established in 2006 as the main environmental commitment of Brazilian agribusiness. Its objective is to eliminate deforestation associated with soybean

production in the Amazon biome by signatory companies. The effectiveness of the Moratorium is evidenced by the rigorous monitoring that prevents rural properties with soybean crops in areas deforested after 2008 from selling their production to signatory companies or receiving financing from them. According to data from the consulting firm Agrosalite, responsible for the Soy Moratorium monitoring program, in the 2022/2023 harvest, an area of 249,978 hectares of soybean plantations was identified that are not in compliance with the rules of the Soy Moratorium. This represents:

Although the initiative does not prevent new deforestation, it discourages the conversion of new areas to soybeans and promotes the intensification of land use on areas already cleared before its implementation. This demonstrates the commitment of the signatory companies to meet the demands of global markets for sustainable products, reconciling the growth of food production with environmental preservation and eliminating soybeans from recent deforestation in the production chain. Currently, 98% of the area cultivated with soybeans in the 2022/2023 harvest, totaling 7.14

million hectares, is located in 124 municipalities covered by the Moratorium. AMAGGI is one of the signatory companies of the Soy Moratorium and does not sell grain from areas deforested after 2008 in the Amazon biome, even if they are legally cleared. This commitment is confirmed through audits carried out by a third party.

### Land use and land cover in the Amazon biome 2022/2023



**Source:** Soy Moratorium  
Report 2022/2023 Crop -  
Abiove



## CERRADO BIOME

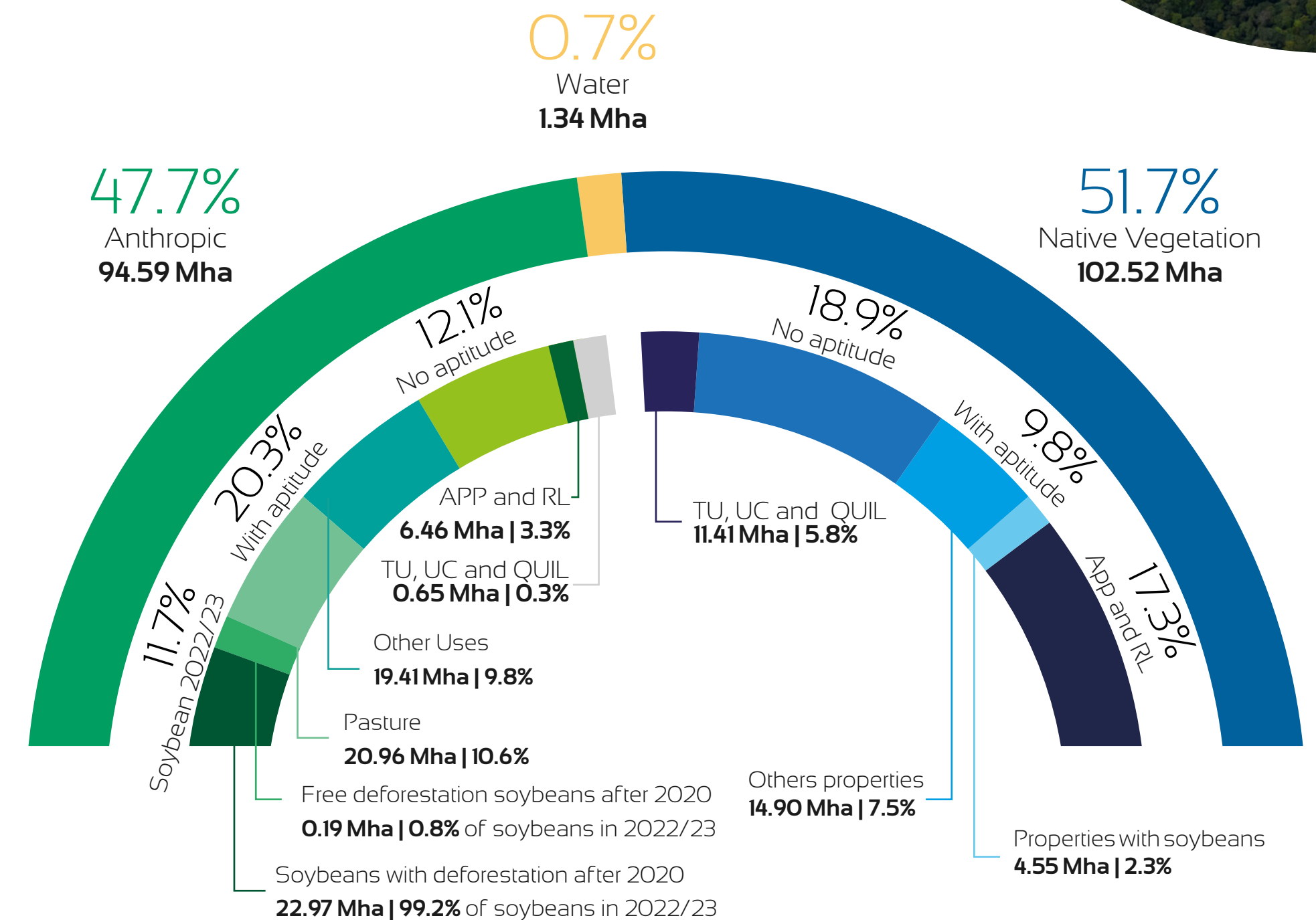
The second largest biome in South America and Brazil, the Cerrado covers approximately 22% of Brazil's territory and plays a crucial role in the supply of fresh water, contributing approximately 40% of the country's total. This savanna biome extends over approximately 200 million km<sup>2</sup>, encompassing northeastern Paraguay, eastern Bolivia, and much of Central Brazil, including the states of Goiás, Mato Grosso, Mato Grosso do Sul, Tocantins, Minas Gerais, Bahia, Maranhão, Piauí, Rondônia, Paraná, São Paulo and the Federal District, as well as isolated areas of the biome in Amapá, Amazonas and Roraima.

According to the MAP Biomes 2023 Annual Deforestation Report, the Cerrado was the most deforested biome last year, with an affected area of 1,110,326 hectares, surpassing the Amazon for the first time. The Matopiba region (Maranhão, Tocantins, Piauí, and Bahia) accounted for 47% of this loss, totaling 858,952 hectares, an increase of 59% compared to the previous year.

The Brazilian Association of Vegetable Oil Industries (Abiove), which represents Brazil's main soybean trading companies, has been studying the expansion of soybeans in the biome and promoting actions to reduce the conversion of native vegetation.

According to the study, also represented in the graph, in the Cerrado Biome, the native vegetation is preserved on 102,52 million hectares, which corresponds to 51,7% of the total area. Of the preserved area, 9,8% are suitable for agriculture and are outside the APP and Legal Reserved area.

On the other hand, of the 94.59 million hectares that have been anthropized until the study date, only 11,7% are used for soybean cultivation, with 99,2% being deforestation free after 2020. The study also shows that there are more than 20% of areas already open with agricultural potential that could be converted to agriculture without affecting the native vegetation that still exists..



Source: Cerrado Monitoring Report 2023 - Abiove



The Cerrado biome is known for its great biodiversity



# 2023 Results and indicators

## Traceability and footprint of deforestation and conversion



100%

traceability and monitoring of **direct suppliers** in Brazil.



100%

traceability and monitoring of **indirect suppliers at the first aggregation point**.



52%

traceability and monitoring of **indirect suppliers** in the Amazon and Cerrado biomes, the **priority jurisdictions** for AMAGGI's operations.



98.2%

of the volume of traced soy from direct and indirect suppliers in Amazon and Cerrado biomes are free from deforestation and conversion of native vegetation after 2020 Supply Chain.

## Supply Chain

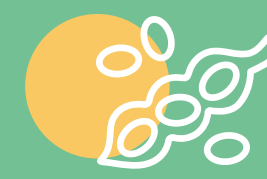


62%

of grains originate from **direct suppliers** and

38%

from **indirect suppliers** in Brazil.



100%

of **soybean volume** traced and monitored in the Amazon biome **free of deforestation and conversion of native vegetation** after 2008, in accordance with the Soy Moratorium commitment.



100%

of **suppliers comply** with **AMAGGI's socio-environmental criteria**.



100%

**compliance in grain commercialization**, meeting the commitments of the **Pará Green Grain Protocol**.

## Land use management in AMAGGI-owned areas



100%

of **AMAGGI-owned farms free from deforestation and conversion of native vegetation** for agricultural production since 2008.



100%

of **AMAGGI operations are in compliance with the Forest Code**, outside the boundaries of Conservation Units and Indigenous Lands.



100%

of **AMAGGI's agricultural production farms** are certified in **socio-environmental standards**.


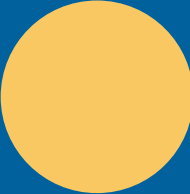
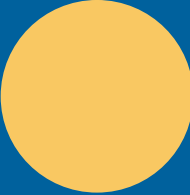
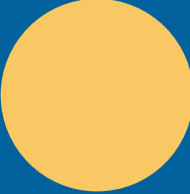


177 thousand

**hectares of protected areas on AMAGGI farms.**



## Sustainable products and solutions

-  **AMAGGI** continues to be **one of the leading companies offering certified soy** free from deforestation and conversion of native vegetation (DCF) in the world.
-  In 2023, AMAGGI was the company with the largest volume of RTRS-certified soy, representing **19% of the global soybean volume**.
-  **25% increase in the total volume of certified soy compared to 2022**, considering the Origins Field, RTRS, and Proterra standards.
-  **Launch of AMAGGI's regenerative agriculture program**, Regenera, which contributes to economic and climate resilience by promoting more sustainable and low-carbon production.

## AMAGGI ORIGINS, origin guarantee program

Due to its investment in geospatial systems and supply chain traceability, AMAGGI has been offering the market an exclusive program called ORIGINS since 2021. This program guarantees responsible grain origin, free from deforestation and conversion (DCF), traceable, and verified by a third party.

ORIGINS is one of the company's main tools for achieving sustainability goals, including having 100% of the chain free from deforestation and conversion of native vegetation by 2025.



**68% increase** in the sale of volumes of soybeans and corn certified under the Standard and Field standards, the latter being considered "credit" and "physical".



The European Feed Manufacturers' Federation (FEFAC) has recognized the **ORIGINS Field program for the second consecutive year**.



**Recognition of the Origins Field program's soybean production quality standard** by the German accreditation body Q&S.



**Update to the Origins Field standard chain of custody format**, including the Mass Balance, Book & Claim, and Segregated models.



**111% increase** in certified volume in the Origins Field standard from 2022 to 2023.



# Implementation plan

Based on the latest version of the document "Towards a Grain Chain Free of Deforestation and Conversion of Native Vegetation" from 2021, this report presents the implementation plan to achieve the established goals and commitments. The plan is organized into three main areas of action and incorporates the main requirements suggested by the Accountability Framework Initiative guideline.



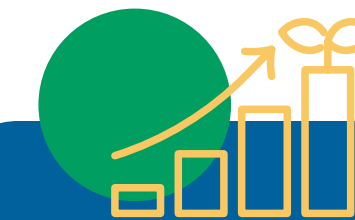
## Internal Operations

To ensure the good performance of its activities, reduce socio-environmental risks, generate positive impacts, and achieve its strategic objectives, AMAGGI recognizes the importance of establishing internal and governance mechanisms. These mechanisms are also essential to monitor results and ensure transparency about its progress.



## Value chain monitoring

The first step to ensuring a supply chain free from deforestation and conversion of native vegetation is to have in-depth knowledge of your suppliers. Since 2016, AMAGGI has invested in the development of the ORIGINAR geospatial monitoring tool. This initiative has generated significant results in keeping the supply chain free from deforestation and conversion of native vegetation.



## Engagement and actions for a sustainable chain

AMAGGI believes that, in order to expand its results and achieve its commitments, it is essential to join forces with various stakeholders in the value chain, such as suppliers, leaders, communities, government, scientists, civil society, the financial sector, and the private sector. The goal is to promote sustainable agriculture in Brazil and abroad.

To ensure responsible practices throughout its chain, the company maintains a broad dialogue with stakeholders, encourages innovation, disseminates knowledge, and develops projects and partnerships. In addition, AMAGGI seeks certifications and programs to guarantee origin. These actions aim to achieve agriculture that is free of deforestation and conversion of native vegetation, regenerative and low carbon, promoting the protection of biodiversity and human rights.

Governance and management for implementing commitments

Land use management in own areas

Geospatial monitoring technologies and systems

Socio-environmental certifications and origin guarantee programs

Stakeholder involvement and engagement

Partnerships and initiatives

Actions related to each work front to ensure the achievement of the 2025 target

Monitoring, Reporting and Verification (MRV)



## CHALLENGES AND OBJECTIVES

- Establish policies, guidelines and responsibilities for senior management and employees to prevent potential conflicts of interest in grain purchasing operations and socio-environmental analyses, minimize negative socio-environmental impacts, and provide opportunities for and maximize positive impacts for responsible grain production and purchasing.
- Establish complaint mechanisms to identify and remedy adverse social and environmental impacts linked to operations.
- Maintain a socio-environmental management system and updated tools and procedures, develop different departments, and train employees to comply with established commitments.
- Measure the performance of the company and its employees in relation to ESG requirements, using internal and external audits to verify operations' adherence to established commitments and standards.
- Ensure compliance of activities with legal requirements and with the company's socio-environmental commitments and internal standards.



### Internal operations: Governance and management for commitments implementation

## 2023 HIGHLIGHTS

- **Valor 1000** | 4th largest agribusiness company in Brazil and 26th largest company in the country. The company was the only representative from the Midwest among the five largest listed in the publication.
- **Forbes Agro 100** | 12th largest company in the agricultural sector in Brazil.
- **Anuário Época 360°** | 5th best company in the Midwest and 8th best in Innovation.
- **Maiores e Melhores** | 32nd position in the Maiores e Melhores ranking by Exame magazine.
- **As Melhores da Dinheiro** | AMAGGI was a leader in Innovation and Quality, in addition to reaching 2nd place in the Social Responsibility category and obtaining 3rd place in Corporate Governance.
- AMAGGI made progress in developing its 2035 decarbonization target, establishing 2022 as the base year for reducing emissions.
- Publication of AMAGGI's Human Rights Policy, reaffirming its commitment to respecting human rights in all operations, from the supply chain to local communities.



- Creation of the decarbonization and sustainable finance area, focused on developing new solutions for regenerative and low-carbon agriculture.
- Creation of the Innovation and ESG Committee, which aims to constantly evaluate AMAGGI's innovation and ESG objectives and strategies in its different business lines, ensuring compliance with the sustainable development guidelines adopted by the company.
- Improvements to the grain chain geospatial monitoring system, ORIGINAR.



## ESG governance structure to ensure target compliance

**AMAGGI's governance structure was developed to ensure good performance, reduce risks, and monitor strategic objectives.** The ESG (Environmental, Social, and Governance) Communication and Compliance Department, which reports to the CEO, is responsible for implementing the sustainability strategy in all business areas and levels of the company. This includes deploying ESG Commitments and Goals, evaluating socio-environmental performance, and planning projects and actions to achieve the expected results.

To support this department, AMAGGI has almost 30 employees dedicated exclusively to the sustainability strategy. In addition, each unit of the company in Brazil has a representative responsible for ensuring compliance with legal requirements, socio-environmental commitments and internal standards, also involving suppliers.

AMAGGI's socio-environmental management (SEM) is unified and formed by standardized processes and procedures developed by the Corporate Sustainability and Business areas. **The objective is to prevent and minimize negative socio-environmental impacts and maximize positive impacts through actions and programs.**

Every year, AMAGGI conducts internal and external audits to verify compliance with its commitments and standards. These audits, which include ESG requirements, assess all employees, and the results impact the annual financial distribution for performance.

## AMAGGI Human Rights Policy

AMAGGI believes that the pursuit of sustainable development is one of society's greatest challenges and one of the most important aspects of its business's sustainability. Its Human Rights Policy aims to establish guidelines and general principles so that AMAGGI's actions respect human rights throughout its production chain and in all regions where it operates.

The Policy is aligned with the International Declaration of Human Rights, the United Nations (UN) Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the UN Declaration on the Rights of Indigenous Peoples, and the principles of the United Nations Global Compact, of which AMAGGI is a signatory.

To identify salient risk issues, AMAGGI uses the United Nations (UN) Guiding

Principles on Business and Human Rights as a reference. The topics mapped are:

- Labor rights and free association of unions
- Diversity and inclusion
- Children's and adolescents' rights
- Rights of Indigenous peoples, traditional communities, and inclusion of small producers
- Environmental protection and sustainable use of natural resources
- Local development
- Food security
- Fight against corruption

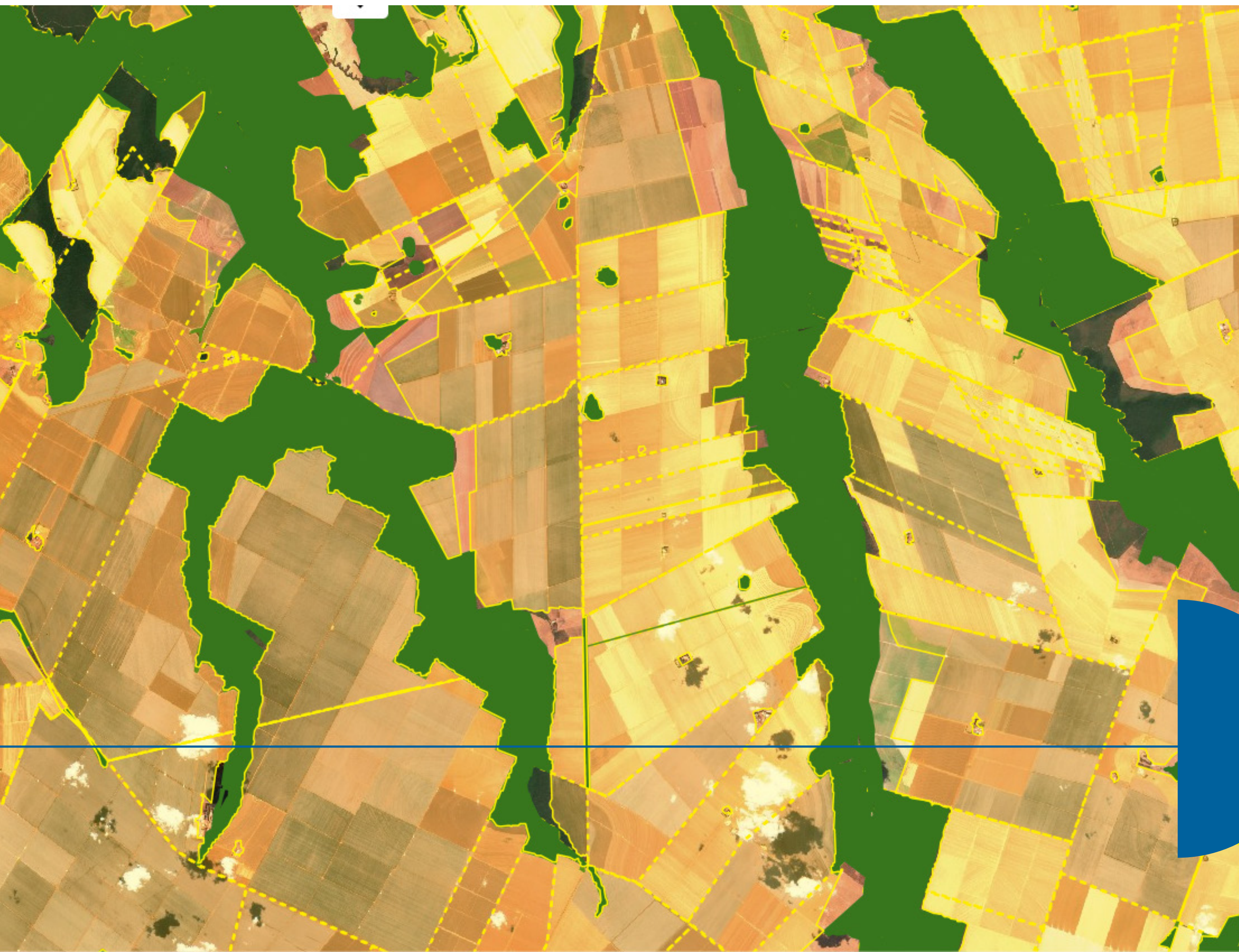
The Policy reinforces AMAGGI's commitment to preventing, mitigating, and remedying negative impacts on human rights in its operations. This includes



implementing a Human Rights Due Diligence Process, which includes periodic assessments of suppliers to ensure compliance with the company's standards.

To learn more about AMAGGI's Human Rights Policy, [click here](#).



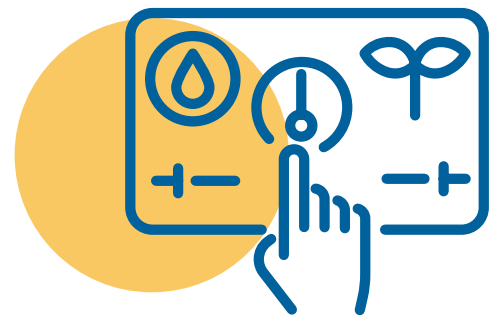


## Socio-environmental assessment for grain and fibers commercialization

All grain commercialization go through the ORIGINAR 2.0 geospatial system. Only those that meet 100% of AMAGGI's minimum marketing criteria advance to the next stages of receipt. If, during the commercialization any socio-environmental restriction is identified on the farm, in the name of the producer or anyone involved in the negotiation, the registration and the farm are automatically blocked by the system. The release can only occur after a thorough analysis by the team of experts in the Sustainability area, to confirm that the purchase meets the company's socio-environmental requirements.

In 2023, AMAGGI vetoed 81 grain commercialization due to irregularities in socio-environmental criteria. Suppliers were advised on how to regularize their situations. The Sustainability team, which specializes in socio-environmental assessments with geospatial tools, acts independently from the Origination area, avoiding conflicts of interest. The company follows clear procedures and compliance recommendations for flows and approvals. In addition, AMAGGI's grain purchase and sale contracts include socio-environmental clauses.





## Internal operations: Management of land use in own areas

### CHALLENGES AND OBJECTIVES

- Ensure the maintenance of responsible expansion of agricultural production in areas that have already been cleared, as well as invest in the transformation of degraded areas into increasingly productive properties, avoiding new conversions of native vegetation for the introduction of agriculture.
- Ensure compliance with the precepts determined by the Brazilian Forest Code and the strengthening of the restoration agenda.
- Ensure the conservation of biodiversity and the efficient use of its resources, in addition to the sustainable development of the territory.
- Continue investing in technology in the field and good agricultural practices to improve operational efficiency, as well as mitigating 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 those of traditional communities, indigenous peoples, and family farmers.

### 2023 HIGHLIGHTS

- 100% of the company's own agricultural production farms are certified according to socio-environmental standards.
- 177 thousand hectares of protected areas on AMAGGI farms, which include Legal Reserves (RL), Forest Assets, Permanent Preservation Areas (APPs), and spaces designated for environmental compensation.
- 100% of its own operations comply with the Forest Code and other applicable legislation, maintained outside the boundaries of Fully Protected Conservation Units and Indigenous Lands.
- Investment in new technologies aimed at regenerative and low-carbon agriculture, aiming to increase productivity and reduce socio-environmental impact.
- 100% renewable energy, achieving self-sufficiency in production in relation to consumption in all operations.
- Promotion of studies and scientific research for the mapping and management of biodiversity.





Maintain zero deforestation and conversion of native vegetation (Deforestation and Conversion Free - DCF) since 2008 for agricultural production on its own farms, ensuring its expansion only in already open areas

## Forest management

In 2023, AMAGGI continued its socio-environmental commitments. The company adopts strict policies and carries out monitoring to ensure respect for traditional communities, family farmers and the right to land use.

Currently, AMAGGI farms have **177 thousand hectares of protected areas in the Pantanal, Amazon, and Cerrado biomes**. These areas include Legal Reserves (RL), Forest Assets, Permanent Preservation Areas (APP), and spaces designated for environmental compensation. **AMAGGI has an average of 45% of its total areas exclusively for preservation.**

### FOREST FIRES

To prevent forest fires, especially due to the dry climate and high temperatures, AMAGGI adopts several measures, which include **maintaining firebreaks** – strips around conservation areas or property perimeters that help prevent the spread of fires. The company also **invests in firefighting equipment and maintains fire brigades trained** to respond quickly in both forests and crops. These brigades not only protect AMAGGI's areas but also provide support to neighboring farms when necessary.

## Innovation and technology for farm monitoring

**To efficiently monitor its farms, AMAGGI uses high-resolution satellite images, updated daily.** These exclusive images allow for advanced predictive monitoring, capable of detecting potential crop problems that could go unnoticed without this technology. In addition, the company's ORIGINAR system uses analysis of public databases, such as PRODES, among others, to complement its functionalities.

These satellite images are so precise that they **can identify even small fires in remote forest areas**, something that could take days to detect with field observations alone.

In addition to geospatial monitoring, each farm has its own Agricultural Operations Center (COA), which is responsible for monitoring the execution of agricultural activities in real-time through the GEO Agrícola system. This system is capable of scheduling execution dates for field service orders, specifying plots and quantities of resources to be used per hectare, providing better control over the withdrawal of inputs from stock, and ensuring more effective management of resources.





## BEST AGRICULTURAL PRACTICES

AMAGGI recognizes that **investing in technology, agricultural innovation and best practices in the field** is essential to **increase the productivity of rural properties**, reducing the need for major expansions and minimizing their socio-environmental impact. The company has employed a series of innovations and precautions, including the use of:

- biological control;
- direct planting;
- crop succession;
- cultivation without the use of irrigation;
- installation of radars and weather stations;
- Use of telemetry in agricultural equipment;
- modernization of machinery;
- connectivity in the field;
- remote sensing;
- reduction in the use of agrochemicals products;
- use of 100% renewable energy from Small Hydroelectric Power Plants (PCHs) and solar panels;
- acquisition of drones for better precision in the application of pesticides, and
- use of robots to monitor pests, diseases, and weeds in crops.

**These actions**, combined with other initiatives, **have contributed to reducing the carbon footprint of the grains produced by the company**, which has one of the best rates of greenhouse gas emissions per ton of product compared to other competitors in Brazil and abroad.



AMAGGI values disseminating its best practices and the knowledge acquired from producers in its value chain, thus expanding the positive impact generated.





## Research support: agriculture, forestry, biodiversity and climate

AMAGGI is **committed to the transition to regenerative agriculture**, which aims to produce commodities on a large scale while maintaining soil quality, biodiversity and business sustainability. In partnership with Embrapa more than four years, the company has advanced in understanding the nutrient and carbon cycles in the soil of its farms, seeking to increase the efficiency in the use of inputs and reduce greenhouse gas emissions.

In addition, for almost 20 years, AMAGGI has supported research by the Amazon Environmental Research Institute (IPAM). At Fazenda Tanguro, in Querência (MT), researchers have an experimental station and accommodation infrastructure to study the integration between forests and agricultural areas and monitor biodiversity in Mato Grosso. Currently, around 20 doctors and approximately 100 undergraduate, master's and doctoral students from various parts of the world are directly involved in this research. The following have already been identified in the region:



**60 mammals;**  
Equal to 28% of  
species recorded  
across entire Europe



**258 birds;**  
Equal to 28% of  
species recorded  
across entire Europe



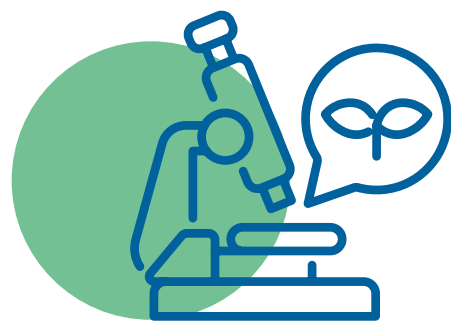
**170 bees;**  
Equal to 10% of all  
European spp



**353 plants.**







## Value chain monitoring: Geospatial monitoring technologies and systems

### CHALLENGES AND OBJECTIVES

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

### 2023 HIGHLIGHTS

- 100% traceability and monitoring of direct suppliers in Brazil.
- 100% traceability and monitoring of indirect suppliers at the first aggregation point.
- 52% traceability and monitoring of indirect suppliers from the Amazon and Cerrado biomes — AMAGGI's priority jurisdictions for operations —, a 20% increase in traceability compared to the previous year.
- 98.2% of the volume of traced soy from direct and indirect suppliers in priority areas are free from deforestation and conversion of native vegetation after 2020.
- 100% of the volume of soybeans tracked and monitored in the Amazon biome are free of deforestation and conversion of native vegetation after 2008, in line with the Soy Moratorium commitment.







## AMAGGI socio-environmental criteria for grain marketing

AMAGGI has almost 6.000 rural producers who supply grains and fibers. To be part of the supply chain, these producers must be aligned with the company's socio-environmental criteria. In 2023, all of its suppliers were evaluated based on these criteria, ensuring environmental protection and respect for human rights.

The company does not negotiate grains from productive areas that are affected by:

- embargoes by the Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA) and state environmental agencies;
- indigenous lands and fully protected conservation units;
- areas deforested after 2008 in the Amazon biome that do not comply with the Soy Moratorium;
- areas that do not comply with the Pará Green Grain Protocol; and
- Dirty List of Slave Labor.

The entire process of verifying the criteria, especially the commitment to the Soy Moratorium<sup>2</sup> and the Green Grain Protocol, is carried out annually through third-party audits. AMAGGI has always achieved 100% compliance in its sales.

- 100% of grain purchase lots evaluated based on established socio-environmental criteria.
- 100% of suppliers comply with AMAGGI's socio-environmental criteria.
- 100% compliance in grain commercialization, meeting the commitments of the Soy Moratorium and the Pará Green Grain Protocol.

<sup>2</sup> According to the Soybean Working Group (GTS) schedule, the third-party audit of the Soy Moratorium will be biannual, with the one for the 22/23 crop scheduled to be carried out at the end of 2024, however the company guarantees the integrity of compliance with this commitment through its control and monitoring systems.



## Traceability and monitoring of the supply chain: originalar 2.0 platform and the supplier evaluation process

To ensure compliance with socio-environmental criteria, AMAGGI developed **ORIGINAR 2.0, a platform that allows monitoring of the entire grain supply chain**. The first step consists of identifying, locating, and registering the properties where the grains originate, including the exact delimitation of the corresponding polygon. This step is conducted by the origination team at AMAGGI units, which consists of professionals familiar with the region and who maintain direct contact with suppliers.

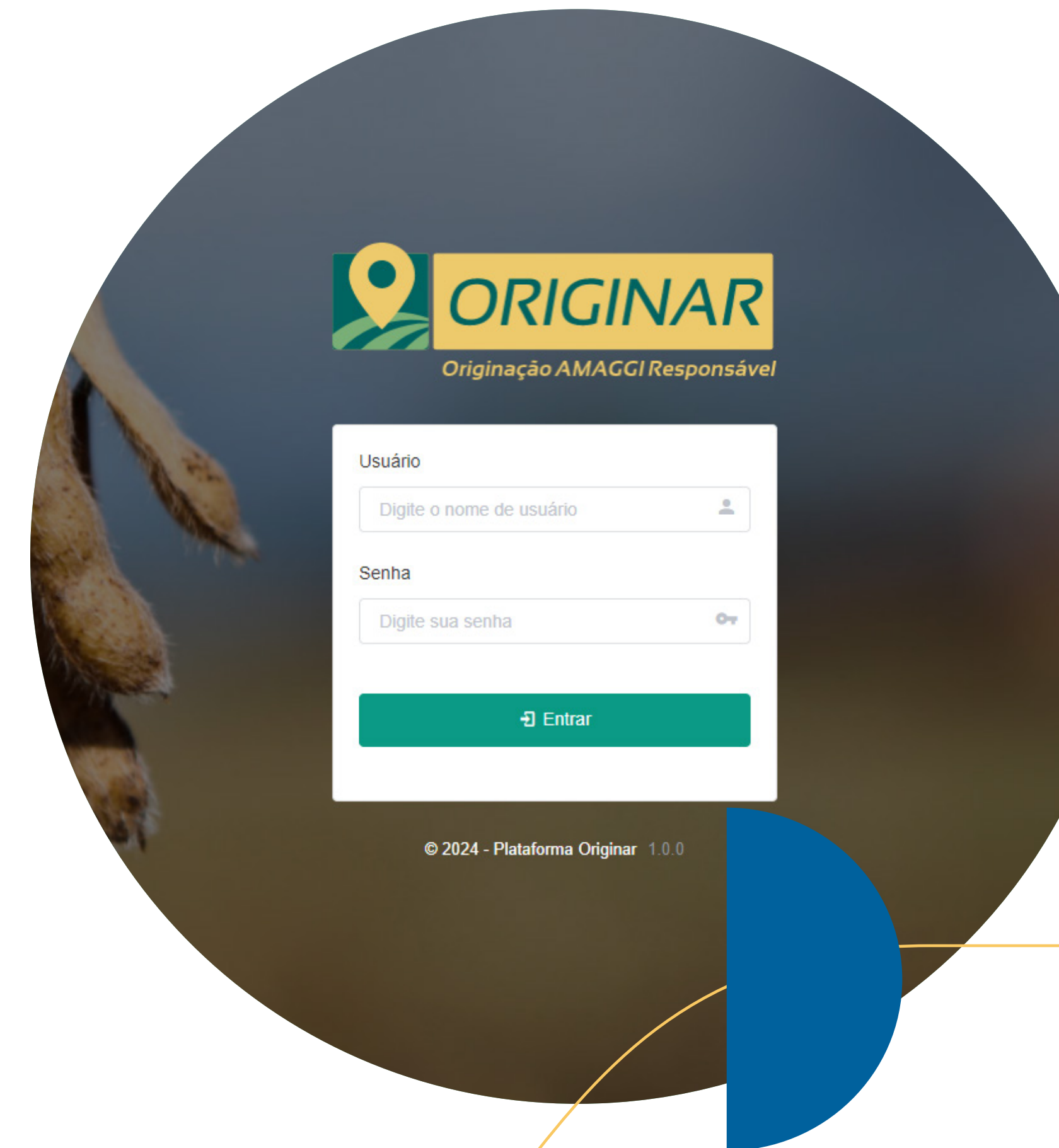
After registration is completed, the system continuously monitors the property, cross-referencing socio-environmental data to identify any non-compliance. Public and private data are used, in addition to updated satellite images. The integration of AMAGGI's grain sales system with ORIGINAR 2.0 allows immediate verification of purchase contracts at the time of the transaction. Confirmation is granted only to contracts that fully meet the marketing criteria established by the company. If

there is any non-compliance, such as environmental restrictions, the system automatically blocks the purchase. The Sustainability team assesses the risk and determines whether the acquisition meets the socio-environmental requirements defined internally.

For all direct grain suppliers in Brazil, it is mandatory to link each purchase to its farm of origin. The system, integrated with ORIGINAR 2.0, records the property of origin of the grain. If the farm of origin is not linked, the system automatically blocks the purchase until identification is made, thus concluding the traceability process. As for indirect suppliers, AMAGGI has improved its tracking process, maintaining **100% identification at the first point of product aggregation**. The company has also refined traceability in relation to the identification of the farm of origin, reaching **52% traceability of indirect grain suppliers in the priority jurisdiction**, following a process similar to that used to track direct suppliers.

If an area is considered to be of high commercial importance and with a high associated socio-environmental risk due to geospatial analyses carried out by AMAGGI's Socio-Environmental team, it is possible to carry out a "Third-Party Monitoring", in which a third-party company is hired to monitor the harvest on site and guarantee traceability from the grain production site to our warehouses. In 2023, approximately 1,618 hectares were monitored by third parties.

ORIGINAR 2.0 undergoes **constant improvements to meet the needs of the Origination and Sustainability teams**. Of note is the improvement in the fire detection system, with daily notifications, and monthly deforestation alerts. In addition, mandatory traceability was implemented for all direct suppliers in the grain purchasing system, automatically blocking transactions that do not have farms linked to the process.





## Deforestation and conversion analysis and methodology for identifying land use change

AMAGGI improves its supplier mapping and monitoring process, as well as the traceability of volumes commercialized in priority jurisdictions. In addition to being able to analyze the incidence of deforestation and conversion in your supply chain, it is possible to verify which are the main impacted regions and the trend of changes in native vegetation over the years, working on a landscape scale.

As part of the Soy Moratorium, the company does not allow any deforestation, legal or illegal, in the Amazon biome after 2008. For the Cerrado biome, the deforestation analysis is based on the suppliers monitored and the volumes commercialized and tracked, using 2020 as a reference. Thus, it was possible to reach the following results:

- 100% of the volume of soy traced and monitored in the Amazon biome are free of deforestation and conversion of native vegetation after 2008, in line with the Soy Moratorium commitment.
- 98.2% of the volume of traced soy from direct and indirect suppliers in Amazon and Cerrado biomes are free from deforestation and conversion of native vegetation after 2020 Supply Chain.

Land use classification and land use change were performed by a specialized consultancy and audited by a third party. In the Cerrado biome, the methodology to identify land use change and quantify native vegetation changes since 2020 uses images from the Sentinel, Landsat and RapidEye satellites. Deforestation and conversion of native vegetation greater than 5 hectares occupied by soybeans in the last harvest were considered.



## Stages of deforestation detection work

1

### Identification of farms

Registration of farms through georeferencing and creation of a database with all boundaries.

2

### Selection of satellite images

Selection of sensors, images, dates to be used and download of corresponding tiles.

3

### Processing of satellite images

Pre-processing and processing of satellite images to perform land use classifications.

4

### Detection of changes in land use

Classification of land use and detection of changes between the dates analyzed.

5

### Analysis of soybean areas

Identification of land use dynamics in soybean origination areas.



## Analysis methodology to establish a deforestation and conversion-free chain

AMAGGI adopts strict criteria to identify deforestation and conversion of native vegetation, considering any area over 5 hectares with the presence of soybeans as originating from deforestation and conversion. This standard is more demanding compared to other widely used methodologies and is possible thanks to the exclusive use of satellite images to assess changes in land use. An important difference is that the entire volume originating from a rural property is accounted for as originating from deforestation and conversion, not just the volume of the deforested area. In this way, the company adopts conservative measures to define deforestation and conversion of native vegetation, significantly minimizing the risk in its operations.

In addition to the initiatives in Brazil, AMAGGI has advanced in discussions and studies of technological solutions for the traceability and monitoring of the volume of soybeans from its operations in Paraguay and Argentina, with a special focus on the Chaco biome. In 2023, the company officially joined the Visión Sectorial del Gran Chaco Argentino (VISEC) initiative, which is developing a unified monitoring platform for the soybean chain in Argentina. This initiative aims to ensure deforestation-free sourcing and guaranteed traceability, reinforcing AMAGGI's commitment to sustainability in all its operations







## Engagement and actions for a sustainable chain: **Socio-environmental certifications and origin guarantee programs**

### CHALLENGES AND OBJECTIVES

- Promote the expansion of socio-environmental certifications for producers and the commercialization of certified products in the market, both in its own schemes (Origins and others) and multi-stakeholder schemes (RTRS, 2BSvs, ProTerra, and others).
- Ensure that socio-environmental certifications are maintained in 100% of its own production.
- Provide support to rural producers who supply products to comply with the standards required for certifications and connect them to consumer markets.
- Be a reference in meeting new market demands for expanding guarantee of origin and zero deforestation and conversion free schemes and in offering innovative and sustainable solutions.
- Share benefits among everyone in the value chain, in addition to ensuring credibility for certified products and their origin to interested parties.

### 2023 HIGHLIGHTS

- 100% of its own farms certified under socio-environmental schemes and origin assurance programs.
- Certifications were obtained under the Standard (soybean and corn) and Field (soybean) standards under AMAGGI's zero deforestation and conversion of native vegetation origin assurance program, called ORIGINS.
- AMAGGI continues to be one of the leading companies offering soybeans certified free of deforestation and conversion of native vegetation (DCF), responsible worldwide for:
  - 28% of the volume of ProTerra soybeans (non-GMO);
  - Largest supplier of RTRS soybeans in the world, representing 19% of the global RTRS soybean volume;
  - 13% of the volume of 2BSvs corn;
- More than 145 farms of partner rural producers certified under the RTRS, ProTerra and 2BSvs standards, which have direct support from AMAGGI's socio-environmental team.
- Launch of AMAGGI's regenerative agriculture program, Regenera, which contributes to economic and climate resilience by promoting more sustainable and low-carbon production.





## Socioenvironmental certifications and origin guarantee programs

AMAGGI believes that socio-environmental certifications and origin assurance programs are essential to reaffirm its commitment to sustainable and responsible production. These certifications generate environmental benefits, such as ensuring zero deforestation and conversion, in addition to bringing social and economic advantages to producers, companies and consumers throughout the value chain.

To remain one of the world's leading companies in terms of volume of soybeans certified according to internationally recognized socio-environmental standards, AMAGGI actively participates in the Roundtable on Responsible Soy (RTRS) and in technical and strategic discussions of ProTerra.

In addition to certifying its own production, the company works hard to increase the volume of certified grains from its suppliers. During the year, more than 145 farms belonging to partner producers were certified,

after verification of the entry, storage and shipping processes, totaling a volume of 1,853,143 thousand tons of certified soybeans, of which 1,394,259 thousand tons were certified by RTRS and 458,884 thousand tons were certified by ProTerra.

To encourage producers to adopt socio-environmental certifications, AMAGGI distributed bonuses to RTRS-certified suppliers in its certification group. For ProTerra producers, the bonus is included in the NonGMO amount, which refers to the additional amount paid for products that are not genetically modified. In addition to the bonus, all producers receive close monitoring, with socio-environmental diagnostics, visits from specialists, support in implementing improvements and internal audits. The company covers all costs related to the socio-environmental diagnostics, in addition to other expenses necessary for certification in its supply chain.

## New certification models, trends and market requirements

AMAGGI markets certified grains under its guarantee of origin program, ORIGINS. The initiative ensures responsible and traceable production, with zero deforestation and conversion, using advanced technology that allows high scalability. The ORIGINS Field standard, recognized by the European Feed Manufacturers Federation (FEFAC), guarantees grains produced in a responsible and traceable manner, meeting the demands of the European market. In addition, AMAGGI is developing new modules to guarantee grains with low greenhouse gas emissions, traceability via blockchain and segregated routes.

The company is also actively engaged in discussions on new guidelines for the commercialization of soybeans, including the French Strategy on Imported Deforestation, the UK Soy Manifesto and the European Union Deforestation Regulation (EUDR).

On May 31, 2023, the European Parliament, through Regulation EU 2023/1115, established a policy on the making available of certain commodities and derived products associated with deforestation and forest degradation. This policy concerns the export of commodities such as soy, cocoa, beef, coffee, palm oil, timber and rubber.

AMAGGI has closely followed the development of the new European directive, which will come into force from December 30th, 2024, and is committed to adopting sustainable and responsible practices in its operations to meet these new legal requirements and the expectations of its customers. This regulation represents a significant challenge, but AMAGGI is ready to develop innovative and sustainable solutions, ensuring that it continues to be a leader in the production and marketing of certified and responsible grains.



The ORIGINS Field module, recognized by the European Feed Manufacturers Federation (FEFAC), guarantees grains produced in a responsible and traceable manner, meeting the requirements of the European market.



## Regenerative agriculture program

In 2023, the Amaggi Regenera program was launched in collaboration with ReNature and Embrapa, focusing on positive impacts on the pillars of soil, biodiversity and people. The program is not restricted to a specific crop and monitors indicators that reflect the improvement of agricultural ecosystems. With an emphasis on regenerative practices, impact measurement and the creation of a model farm, **Amaggi Regenera aims to promote more resilient and low-carbon agricultural systems**, contributing to economic and climate sustainability while expanding its adoption in AMAGGI's production chain and among family farmers.

Click [here](#) to learn more about Amaggi Regenera.

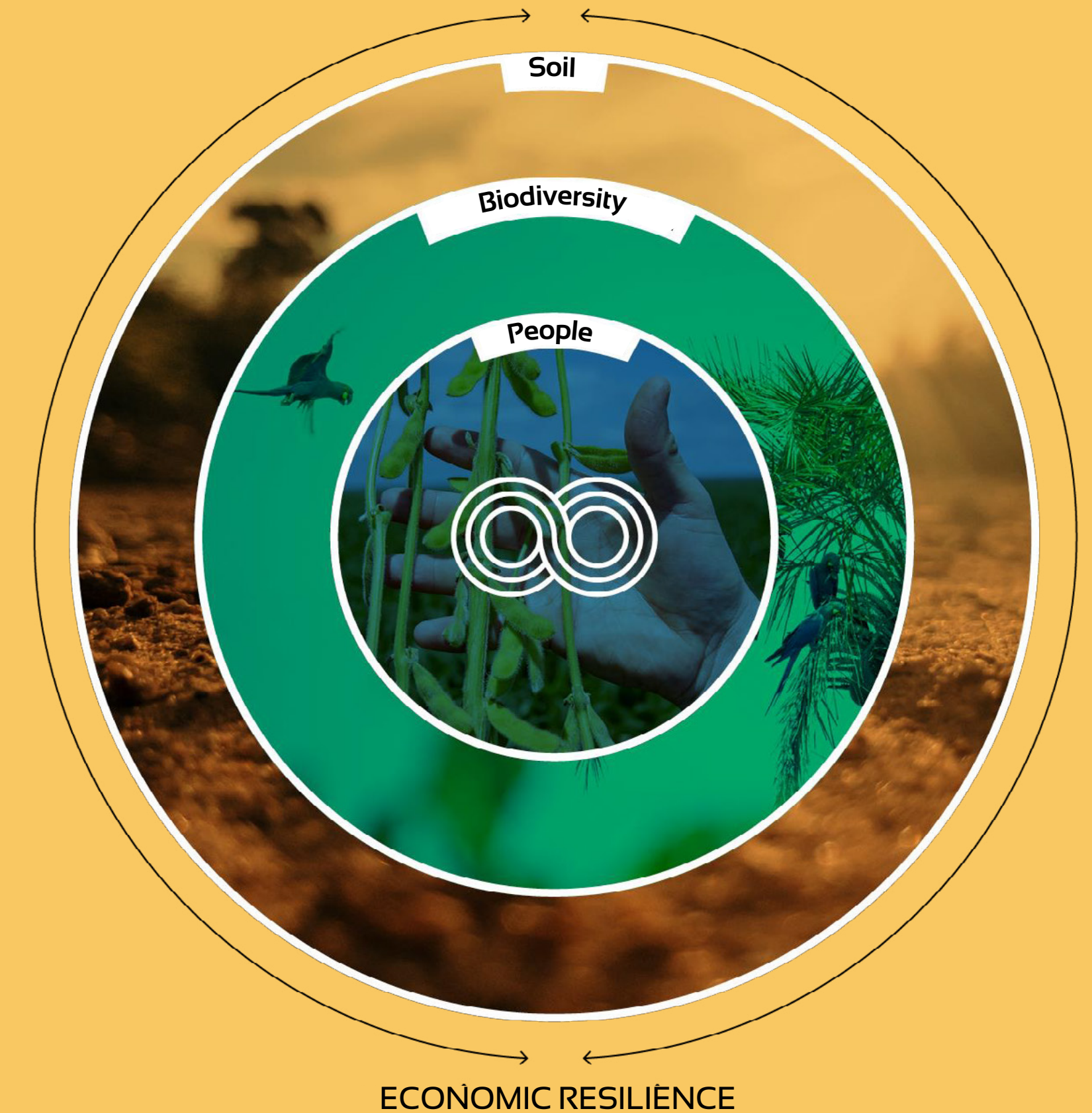


### Pillars of AMAGGI Regenera

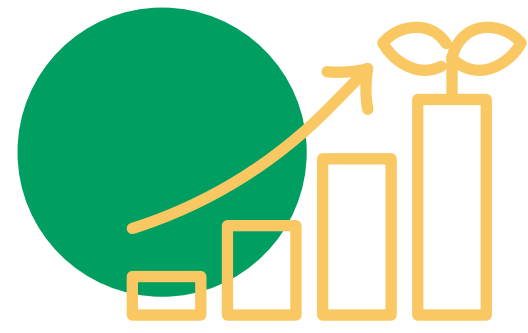
**Soil** | Promotes practices such as no-till with cover crops, precision agriculture, and conscious use of water and biodefensives, aiming to restore the soil and reduce the use of chemical inputs.

**Biodiversity** | It contributes to the biological control of diseases, integrated pest management, and conservation of native vegetation areas, facilitating biodiversity in cultivated areas.

**People** | Disseminates knowledge and positively influences rural producers and family farmers to ensure the sustainability of soil and life.







Engagement and actions  
for a sustainable chain:

## Involvement and engagement of stakeholders

## CHALLENGES AND OBJECTIVES

- Consult with the company's stakeholders, maintaining an ongoing and assertive dialogue between AMAGGI and its stakeholders.
- Support mechanisms that value forests and natural resources, such as payment systems for environmental services (PSAs), issuing green bonds, carbon credits and other conservation financing mechanisms.
- Promote an ethical chain and ensure the adoption of responsible, innovative practices throughout its value chain, such as biological control, as well as systems that allow for greater productivity and better management of land use, reduced use of pesticides, fertilizers and inputs, among other actions to mitigate other possible environmental and social impacts.
- Encourage grain suppliers to maintain operations free from deforestation and conversions of native vegetation, contributing to the sharing of benefits with local communities, promoting the efficient use of resources and fostering the sustainable development of the territory.
- Expand knowledge dissemination practices and encourage the adoption of socio-environmental certifications by producers, promoting increasingly sustainable operations.



## 2023 HIGHLIGHTS

- Approximately 159 technical visits were made to farms of partner rural producers to support issues related to socio-environmental issues.
- First pilot farm to exclusively adopt B100 in its agricultural machinery, in addition to 100 new trucks purchased that run on biodiesel.
- More than 900 kg of food, used in the cafeteria of the Itamarati farm, coming from family farming on local properties.
- Implementation of the Muvuca technique, a technique for planting native species to recover degraded areas, on 96 hectares in 2023, totaling 131 hectares since the beginning of the investment

In 2023, we moved more than 1.2 million tons of certified grains to the European continent, mainly to countries such as the Netherlands, Denmark and Germany. In addition, we receive constant visits from our external customers so that we can show the entire production chain in practice, as well as the company's socio-environmental structure.



## Producers' engagement and proximity

AMAGGI holds the Technological Circuit every year, a field event that travels to several cities in Mato Grosso, Rondônia and Pará, bringing knowledge and technology to rural producers. In 2023, the event featured the participation of partners such as BASF, Brevant, FMC, Monsoy, Nidera, Corteva, Syngenta, TMG, UPL, Vittia, Inquima, Intacta and Neogen, presenting the latest innovations in agricultural inputs. Hundreds of producers participated, discussing ways to increase productivity in a sustainable way.

In addition to the Technological Circuit, the company conducts technical visits directly to producers' properties, offering personalized support for socio-environmental improvements. AMAGGI's Sustainability team, made up of professionals from various areas such as forestry, environmental and agronomic engineering, carried out 159 technical visits to partner farms throughout the year.

## Biodiesel for reducing emissions in transportation

In 2023, AMAGGI made significant progress in implementing biofuels in its operations. The company successfully tested B100 biodiesel in agricultural machinery such as tractors, wheel loaders and graders. In an important milestone for sustainability, **the Sete Lagoas farm in Diamantino (MT) became a pioneer in adopting exclusively B100 in its agricultural machinery, replacing diesel**, with Sete Lagoas being a key testing ground for evaluating the results and expanding the use of biodiesel to other AMAGGI properties.

In addition to agricultural machinery, AMAGGI migrated 100 trucks from its own fleet to B100. Additionally, the company has already carried out tests and is awaiting authorization to expand the use of B100 on barge pushers, transporting soybeans along the Madeira River waterway to the port of Itacoatiara (AM).

All of these measures demonstrate AMAGGI's robust commitment to reducing emissions and transitioning to a more sustainable energy matrix in its agricultural and logistics operations.







## Family agriculture

Family farming plays a crucial role in the Brazilian economy, generating around BRL 107 billion equivalent to 23% of all agricultural production in the country.

The André and Lucia Maggi Foundation launched the Family Farming subprogram, which houses the “Cultivating the Future” project. The project aims to strengthen family farming enterprises, providing access to markets and marketing channels at fairer prices. Currently underway in two territories - Itacoatiara (AM) and the Campo Novo do Parecis region (MT) - the project relies on the essential collaboration of the cafeterias in the terminal port of Itacoatiara and Itamarati farm, both owned by AMAGGI, which are committed to making direct purchases from local family farming.

In the Campo Novo do Parecis region (MT), at the end of 2023, after mapping the profile of local production and delivery conditions, the first delivery of family farming products directly to the Itamarati Farm cafeteria took place.

Another project related to the theme of Family Farming is “Farmers of the Future,”

which aims to develop strategies to make the countryside more attractive to the public. To this end, partnerships were established with EMPAER and EMBRAPA, which carried out surveys and diagnoses on the family farming scenario in the 14 municipalities of the Cuiabá lowlands. As a result, EMBRAPA delivered a digital and public platform with indexes related to this region’s social, environmental, and economic points. EMPAER delivered a diagnosis with proposed actions for family farming in the Cuiabá lowlands, in addition to an application to facilitate the direct relationship between farmers and the market so that they do not need a mediator to negotiate and dilute the value of their products.

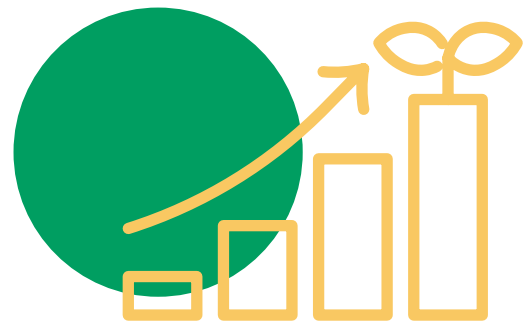
For more information about the programs in partnership with FALM, access the link [here](#).

## Muvuca

Since 2020, AMAGGI has invested in the Muvuca technique to recover degraded areas, a project called Caminhos da Sementes, in partnership with the Instituto Socioambiental (ISA) and Agroícone. In 2023, the company expanded the use of this technique to an additional 96 hectares, continuing work on the Tanguro farm and the Jesuíta PCH, in addition to including the Carolinas farm, in Rondônia, and other recently acquired properties. Adding the 35 hectares recovered in 2022, the total area of Muvuca reaches 131 hectares, an increase of 174% in the areas covered by the restoration project. In addition to accelerating the restoration of vegetation, Muvuca generates income for traditional communities, indigenous people and family farmers who play a fundamental role in collecting seeds, results that are fully aligned with the company’s socio-environmental commitments.



## CHALLENGES AND OBJECTIVES



### Engagement and actions for a sustainable chain: **Partnerships and initiatives**

- Maintain open dialogue and participate in initiatives with the leading players in the value chain, aiming to provide innovative and sustainable solutions to the challenges of deforestation-free agriculture.
- Support the development of initiatives with jurisdictional approaches and participate in projects that contribute to developing public policies and improving the country's socio-environmental governance.
- Maintain participation in sectoral discussions, such as the Brazil Climate, Forests, and Agriculture Coalition, the Soybean Working Group (GTS)—Soy Moratorium, and the Food Systems Working Group of the Brazilian Business Council for Sustainable Development (CEBDS).
- Invest in environmental repair and restoration initiatives, especially in areas of high biodiversity conservation value and carbon stock (HCS and HCV).
- Promote initiatives for expansion into open and degraded areas.
- Promote initiatives for regenerative and low-carbon agriculture.
- Invest in projects and partnerships searching for a more responsible supply chain, especially those operating in priority jurisdictions.

## 2023 HIGHLIGHTS

- Maintenance of sectoral agreements that promote the fight against deforestation, such as the Soy Moratorium and the Pará Green Grain Protocol.
- Partnerships to promote jurisdictional solutions, recovery and restoration, and expansion into open and degraded areas.
- Promote sustainable agriculture, dialoguing in national and international forums and roundtables.
- Partnership with Embrapa to understand and apply regenerative agriculture practices in large-scale agriculture.
- Commitment to large agricultural commodity traders to develop a roadmap to accelerate actions to combat climate change by eliminating deforestation and suppressing native vegetation in soybean areas, in line with the path to limiting the increase in global temperature to 1.5°C.
- Active participation in the Brazilian initiative for the Voluntary Carbon Market (BR VCM), whose objective is to structure strategic actions to develop the voluntary carbon market in the country, aiming to contribute to the global market for high-integrity carbon credits.
- In 2023, IPAM and AMAGGI signed a financial compensation contract for the maintenance of 2,200 hectares of native vegetation at Fazenda Itamarati in Campo Novo do Parecis (MT)





## Partnerships and initiatives

AMAGGI reinforces its commitment to sustainability through dialogue and collaboration in building solutions. The company actively participates in essential roundtables, forums, and working groups to discuss sustainable food production and agribusiness practices. These strategic partnerships involve governments, civil society, research institutions, and the private sector, focusing on priority themes and areas of greatest impact in the Cerrado and Amazon biomes. AMAGGI concentrates its efforts in these priority jurisdictions to drive sustainability and mitigate environmental risks.



Experimental area of AMAGGI's Itamarati Farm, in partnership with Embrapa



## Main initiatives and partnerships



**Soybean Working Group (GTS - Grupo de Trabalho da Soja) |** AMAGGI collaborates with the GTS in partnership with Abiove. This group, which involves civil society organizations and companies, focuses on combating deforestation. The GTS plays a key role in implementing the Soy Moratorium.



**Agro Plus |** The company is an active collaborator of the Brazilian Association of Vegetable Oil Industries (Abiove). Among the sustainability programs promoted by Abiove, Agro Plus stands out. This program aims to guide good agricultural practices, waste management on properties, environmental compliance, and workplace safety.



**MT Strategy - Produce, Conserve, and Include (PCI) |** Launched by the Mato Grosso government in 2015 during COP21 in Paris, this initiative aims to promote the sustainable expansion of agricultural and forestry production by 2030, including targets for environmental conservation, recovery of degraded areas, and development of family farming. AMAGGI is a co-founder of the PCI Institute and has been actively implementing and supporting the goals established since the beginning of the project.



**Mato Grosso Industries Federation (FIEMT) |** AMAGGI participates in the FIEMT's environmental thematic committee, contributing to pertinent discussions on environmental legislation and advances in industry sustainability.



**Sea Cargo Charter |** AMAGGI SA, headquartered in Switzerland, participates in the Sea Cargo Charter initiative, analyzing and seeking ways to reduce emissions from its maritime activities.



**Agriculture Sector Roadmap to 1.5°C |** AMAGGI, together with other agricultural commodity traders, has committed to developing a roadmap to accelerate actions to combat climate change. This includes eliminating deforestation and preserving native vegetation in soybean areas, which aligns with limiting global temperature rise to 1.5°C.



**Brazil Climate, Forests, and Agriculture Coalition |** AMAGGI plays a leading role in the Deforestation Forum and is part of the Executive Group of the Brazil Climate, Forests, and Agriculture Coalition. This coalition brings together companies, governments, NGOs, and civil society to promote a low-carbon economy.



**Brazilian Agricultural Research Corporation (Embrapa - Empresa Brasileira de Pesquisa Agropecuária) |** AMAGGI is committed to the sustainable expansion of agriculture. It supports and implements Embrapa research on soil quality and sustainability on its farms.





**Amazon Environmental Research Institute (IPAM—Instituto de Pesquisa Ambiental da Amazônia) |** For almost two decades, AMAGGI has provided support for IPAM's research. In this context, researchers investigate the integration between forests and agricultural areas at Fazenda Tanguro, located in Querência (MT), and monitor biodiversity on the company's main farms in the state of Mato Grosso.



**Round Table on Responsible Soy Association (RTRS) |** The company is part of the Brazil Task Force, a group made up of grain producers, traders and processors, financial institutions, and other stakeholders involved in discussions on financing and impacts associated with the various links in the soybean production chain.



**The Nature Conservancy (TNC) |** In collaboration with TNC, AMAGGI implements projects focused on engaging producers to promote sustainable practices in soybean production. These initiatives include recovering degraded areas, responsible use of agricultural inputs, and protection of natural areas.



**São Paulo School of Business Administration - Fundação Getulio Vargas (FGV EAESP) |** In partnership with FGV EAESP, AMAGGI calculates its inventory of greenhouse gas emissions using the Public GHG Protocol Registry Platform from FGV's Center for Sustainability Studies.



**Seed Pathways (Caminhos da Semente) |** This initiative brings together more than 160 organizations and has the expertise of 40 specialists. The approach consists of directly sowing native seeds collected in urban and rural environments. The main objective is revitalizing the flora in degraded areas in the Amazon and Cerrado biomes, in addition to generating income for traditional communities, Indigenous peoples, and family farmers.



**Visión Sectorial del Gran Chaco Argentino (VISEC) |** AMAGGI, like other companies in the sector, joined the VISEC initiative to guarantee the traceability of the soybean supply chain and verify deforestation in Argentina. The initiative aims to conserve forest areas in the country, mainly those belonging to the Gran Chaco biome.



**Brazilian Initiative for the Voluntary Carbon Market (BR VCM) |** Coordinated by McKinsey & Company, the initiative represents the union of companies and institutions from various sectors in Brazil. The objective is to structure strategic actions for the development of the voluntary carbon market in the country.



**Brazilian Business Council for Sustainable Development (CEBDS—Conselho Empresarial Brasileiro para o Desenvolvimento Sustentável) |** AMAGGI joins other companies in the search for continuous improvement and sustainable business development. The group discusses, among other topics, challenges and opportunities related to climate, biodiversity, food, and agriculture, as well as finance and social issues.



## Next steps and future challenges in achieving our commitments to a supply chain free from deforestation and conversion of native vegetation

MAIN GOALS RELATED TO FORESTS AND NATIVE VEGETATION	INTERNAL OPERATIONS	MONITORING THE VALUE CHAIN	ENGAGEMENT AND ACTIONS TOWARDS A SUSTAINABLE CHAIN
<b>Remaining Deforestation and Conversion Free (DCF) since 2008 for agricultural production at proprietary farms, ensuring expansion only in already open areas</b>	Continuing to manage their own farms, ensuring established socio-environmental Due Diligence processes to acquire new assets, ensuring the maintenance of AMAGGI's socio-environmental criteria and goal.	Maintaining satellite monitoring of our own areas that are a part of this commitment, with the goal of providing transparency to interested audiences, conducting, whenever necessary, the restoration of forest or native vegetation areas, for example, in case of accidental fires.	Maintaining and developing new partnerships and initiatives with NGOs, research institutes, universities, private sector companies, among other players seeking to increase productivity per hectare, as well as other sustainable solutions, also showing that it is possible to produce in a more sustainable way, without expanding to forest areas, remaining deforestation and conversion free, promoting low-carbon regenerative agriculture.  Turning AMAGGI farms into a model for regenerative agriculture to be scaled to other rural properties, by sharing knowledge alongside rural and family farmers, encouraging technical assistance initiatives, as well as developing sustainable finance solutions. -
<b>Having a 100% monitored and traced grain supply chain, that is Deforestation and Conversion Free (DCF) for agricultural production until 2025, considering all biomes, countries, and regions where it is present</b>	Continuing the work of maintaining the ESG agenda in the company's decision-making, including employee encouragement and acknowledgment for reaching the company's established goals, for example, those related to forestry.  Strengthening internal procedures and controls, for increasingly more qualified transparency in meeting the main demands of AMAGGI's stakeholders.	Maintaining investments in technology, conducting improvements to the geospatial system of grain trading, ORIGINAR 2.0, to improve trading processes, monitoring, and control, meeting new demands from internal and external stakeholders.  In Brazil, making progress in the traceability of indirect suppliers in regions of priority jurisdiction as well as ensuring 100% traceability of direct suppliers.  Beyond Brazil, expanding their work in monitoring and traceability for their Paraguay and Argentina operations up to 2025	AMAGGI's priority action is engaging producers in their value chain with the goal of making them able to meet the company's socio-environmental criteria and commitments. This must happen through activities to share knowledge, support the application of the best agricultural practices, encouraging certification, and supporting the development of financial solutions to protect forestry assets.  Continuing the work developed alongside producers, NGOs, associations, communities, governments, clients, among other players in the soy value chain, seeking to develop solutions towards a low-carbon, deforestation and native vegetation conversion free agriculture.  Engaging directly and sector-by-sector basis to find traceability solutions of indirect suppliers, such as cooperatives and resellers, in order to move towards 100% traceability.
<b>Providing innovative products and solutions for an ethical chain, free of deforestation and native vegetation conversion, that is low-carbon and regenerative</b>	Being a reference in providing solutions to the sustainability demands of their value chain, making their operations a sustainable agriculture model.	Ensuring traceability, in addition to monitoring, reporting, and verifying (MRV) AMAGGI's value chain meeting your clients demands, especially, for products that are deforestation and native vegetation conversion free and with a low carbon footprint.	Promoting new highly scalable solutions for the market, such as AMAGGI's guarantee of origin program ORIGINS, which should evolve into other modalities such as calculating carbon footprint, providing low-carbon or carbon-neutral soybeans, as well as blockchain registration, allowing for greater integration of information along all links in the grain value chain (from the field to the table).  Engaging in discussions to identify solutions and flows that meet the new demands of the European market, such as the French Manifesto against Imported Deforestation, the UK Soy Manifesto, and the EU Deforestation Regulation (EUDR) / Due Diligence.



# Final message



We have concluded another year of intense efforts and achievements on our journey towards an increasingly sustainable and responsible value chain. Throughout 2023, we reaffirmed our commitment to sustainability, implementing innovative initiatives and expanding strategic partnerships that strengthen our mission to promote sustainable and low socio-environmental impact agricultural practices.

From adopting B100 biofuel in our fleet and agricultural machinery to expanding the ORIGINS program, we have continually sought ways to promote the company's decarbonization journey and the traceability and transparency throughout our production chain.

Our commitment to a supply chain free of deforestation and conversion of native vegetation by 2025 continues to guide our actions. Active participation in global initiatives, such as the new European directive on deforestation, demonstrates our leadership role in the search for sustainable solutions that meet global and local demands.

This progress report reflects the dedication and hard work of our entire team, partners, and communities. For this reason, I would like to thank everyone who has joined us on this journey. Together, we are building a more sustainable future where agricultural production respects the environment, values people, and contributes to the longevity of life.

As I look to the future, I recognize that the challenges are great. Still, I also see unique opportunities to continue innovating and leading toward regenerative and inclusive agriculture. Transparency and ongoing collaboration with stakeholders are essential to achieving our goals and generating increasingly positive, lasting impacts.

**Juliana de Lavor Lopes**

ESG, Communications and Compliance  
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São Paulo, August 26, 2024

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FoodChain ID Certificadora Ltda., a certification body accredited in the ISO 17065 and 17025 standards, evaluated the **Progress Report – Commitment "Towards a Grain Chain Free of Deforestation and Conversion of Native Vegetation"**, declares that it was audited on 08/26/2024 the 2023 goals and outcomes defined by the Amaggi.

FoodChain ID recognizes the consistency and veracity of the data, as well as the proposed goals and results achieved, and attests to the veracity of the information contained in the report.

**Reinaldo  
Rodrigues**

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Technical Manager

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