

ANNUAL SUSTAINABILITY REPORT

CROP
YEAR

22/23



nardini

50
anos

Confidence in a
sustainable future

About the Report

[2-2 | 2-3]

We are proud to present our third Annual Sustainability Report for the crop year of 2022/2023, comprising the period of April 1st, 2022, to March 31st, 2023.

We have prepared this report based on the Global Reporting Initiative (GRI) - Standards 2021 guidelines, which are internationally recognized guidelines for communication of themes related to corporate sustainability and sustainability transparency. This approach ensures that our practices and information agree with widely recognized guidelines, providing a solid and trustworthy report for our stakeholders.

We thank everyone who, in any capacity, has been a part of this journey, and we reaffirm our commitment to continue seeking increasingly responsible practices and solutions aligned with the needs of the planet and of future generations. Together, we can make a difference and build a sustainable future for everyone.

Enjoy your reading!



Find out more about Nardini by accessing the website using the QR Code below, or using the link: www.nardini.ind.br

MESSAGES FROM THE LEADERSHIP

[2-22]



A Message from the CEO

In 2023, Nardini celebrates its 50-year anniversary. A milestone, a demonstration of our constant perseverance and boldness in search of greater results. However, we have never forgotten our values: entrepreneurship, teamwork, innovation, respect towards people and the environment, as well as work safety.

This celebration coincides with another year of excellent financial results. With a focused team, we retained all our quality certifications: ISO 9001 seal; Food Safety Management Systems – FSSC 22000 and the 8 Certification, which proves the economic, social, and environmental sustainability of our company.

Something else that makes me very happy and that I would like to share with our stakeholders: Nardini has improved and increased, for the fourth consecutive year, its score in the Great Place to Work (GPTW) certification. The seal recognizes us as an excellent company to work for. This shows we are following the right path by investing in a culture that values trust, innovation, high performance, and the human potential of our collaborators.

Of course, that would not be possible without our strong market vision and our values, founded on credibility, transparency, respect, impartiality, and pride, which result in motivation, encouragement, and recognition. That is why I must highlight the numerous internal promotions that have taken place in the company, especially in these last two years, and the many opportunities that have arisen from the launching of our location in Aporé/GO.

When it comes to our industrial production, we have entered a new phase. If on our 50th harvest (2022/2023) we reached the crushing of 4 million tons of sugarcane, the challenge projected for our 51st harvest (2023/2024) will be to achieve a historic feat: 4.6 million tons of sugarcane. That is just in Visa Alegre, but when we add the 900 thousand tons of sugarcane from Aporé, we will have a sum of 5.5 million tons.

These results come from our constant investments in technology, aligned with a sustainable and innovative vision. We will continue together, adding to our efforts and valuing each employee. And, in parallel, maintaining our respect for the environment and work safety. It is this set of factors that makes Nardini a reference in the Brazilian sugar-energy sector.



In terms of governance, we have taken an important step towards the transition that has been planned for more than two years. I will leave the presidency of the company and Vanderlei Aduato Caetano will take my seat. He has held the position of Managing Director for a few years now and has been a member of our team for over 30 years. Vanderlei, for whom I wish every success, is committed to giving continuity to the strategy that has ensured Nardini's strength and growth. It is worth remembering he will be the first president who does not belong to the family, demonstrating a paradigm shift.

After 37 years at the head of Nardini, I am ending a cycle. And I do so with the certainty that I have done my best so that the company has always maintained its commitment to growth, quality, efficiency, sustainability, and social responsibility in its operations and areas of operation.

I am very proud of our 50-year history. Throughout this time, we have always focused on continuous and sustainable growth. I thank the Nardini team, who have always believed and worked to make our company #greatbynature. I will keep making contributions, which will now take different shapes. I take with me, with great affection, the immense satisfaction of having been a part of this team.

Always remember: agro is great. Brazil is agro and Nardini is agrobusiness!

Riccardo Nardini

A Message from the Matriarch

We have completed 50 years of existence.

I have lived this half century together with Nardini, feeling its problems; we have survived and conquered them all, and have become Nardini "Great by Nature."

This was achieved through the tireless unison work of an enviable team who have, therefore, been awarded many times.

It is this combo, in tune with the interest and well-being of the company, that explains Nardini's good name.

We have come this far and are, therefore, in compliance with the requirements of laws that govern good businesses.

We have reached, therefore, sustainability.

So, for all that, I can say to all: I am proud to be a part of this team.

Guiomar Della Togna Nardini



Summary



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2022/2023

CROP HIGHLIGHTS

+ 14.3%
Processed
Sugarcane

+ 13.5%
Hectares
Planted

+ 11.8%
Tons per
Hectare

124% Growth in CAPEX

+ 22.2%
Net
Revenue

+ 17.4%
Net
Worth

+ 8.2%
Adjusted
EBITDA

**INTENSIFICATION
OF INVESTMENTS**
in the Aporé-GO location

HIGH RETURN TO THE COMMUNITY
of Aporé-GO, with donations and benefit programs

54% REDUCTION
in work accidents
with leave

AWARDS AND RECOGNITIONS OF THE CROP YEAR

AGRICULTURAL PRODUCTIVITY CHAMPION PLANTS

Representing the region of São José do Rio Preto, Nardini obtained 203.44 points in the agricultural productivity index of the IDEA Group and received the award of “Champion Plants of Agricultural Productivity”, for achieving the best result, despite climate change.

“This recognition motivates us because, even in the face of adversity, we have reached great results. Congratulations to the entire agricultural team for this achievement,” comments Reginaldo Chara, Nardini’s Agricultural Manager.

NARDINI WAS THE CHAMPION OF THE 11TH PRÊMIO VISÃO AGRO CENTRO-SUL IN THE “AGRICULTURAL TECHNOLOGY INNOVATION” CATEGORY

On July 26th, Nardini was awarded at the 11th edition of the Prêmio Visão Agro Centro-Sul as one of the companies that have made the most difference in the 2021/2022 cycle in the bioenergetic market of the country, being elected the best in the Center-South region in the category: Agricultural Technology Innovation.

The Agricultural director, Jaime Stupiello and the Agricultural manager, Reginaldo Chara, were at the event representing the company, where they received the award.

NARDINI WINS THE 19TH PRÊMIO VISÃO AGRO

Nardini, Vista Alegre do Alto unit, won in the category “Agricultural Technology Innovation” at the 19th Prêmio Visão Agro - Brazil. The collaborators Jaime Stupiello (Agricultural Director) and Reginaldo Chara (Agricultural Manager) joyfully received this important award, at the event held on December 8th, 2022.



2

MATERIALITY

[2-29 | 3-1 | 3-2 | 3-3]

The construction of materiality has an impact on our operations, development, and results, as well as on the expectations and interests of our stakeholders. Material topics can influence decisions by the stakeholders and affect general perception of our sustainable and socially responsible performance.

To stay in touch with our constantly evolving reality and guarantee the representation of the most significant impacts, we have revisited our materiality defined in the crop year 2020/2021, and through surveys, listing and conversations with our stakeholders, we have updated our list of Material Topics.

The **Sectorial Standard GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022** was our north star during all phases of materiality construction.

Process of materiality construction

Updating our materiality started through an internal process of perception and general and contextual understanding of our activities and business relationships.

The stage of identification and evaluation of real and potential impacts on the economy, the environment, and people, including impacts on their human rights, was based on information collected from various sources, including internal and external assessments, consultation with specialists, impact studies, audits and inspections, implemented management systems, and a survey with our stakeholders, mapped to complement the assessment of the importance of each impact, done through a qualitative and quantitative analysis.

After listing, the more relevant impacts were considered and grouped into Material Topics, which were tested by specialists and compared to the Sectorial Standard GRI 13, as well as other relevant reports from companies in the sector.

The finished List of Material Topics was presented and approved by Senior Governance, who supervised the whole process of materiality construction, from identification of impacts to the final listing.

STAGES OF ORGANIZATION FOR THE DEFINITION OF MATERIAL TOPICS

[3-1 | 3-3]



Engagement and consultation with stakeholders

[2-29]

The process of engagement and consultation with stakeholders is extremely important for constructing the materiality of a sustainability report, and it provides a wide view of the challenges, needs, and opportunities related to our operations. This contact is part of our corporate responsibility and commitment to create shared value for all the stakeholders involved.

For this cycle, we have consulted over 40 stakeholders, from the more diverse categories, through an online survey that presented themes indicated by GRI standards related to governance, economic, environmental, and social aspects, including human rights. Additionally, the survey provided space for direct nomination of other themes the interviewee would consider important and that would not be covered in the survey and description of perception of Nardini’s commitment to sustainability and the socioenvironmental impacts of its operation.

Consultation with stakeholders was applied in the development of the report and its materiality will be used to support the highest level of governance in identifying and managing impacts, risks, and opportunities that come from economic, environmental, and social topics. [2-12]

	STAKEHOLDERS	MAIN TOPICS OF INTEREST	COMMUNICATION CHANNELS	FREQUENCY
	Employees	Compensation, company upgrades, sustainability, career growth policies	Payment stubs, murals, social networks, trainings	Payment stubs: monthly Murals: weekly Social Networks: Daily Trainings: Continuous
	Suppliers	Relationship, Business opportunities	Email, telephone, technical visits, homologation	Continuous
	Service providers	Relationship, Business opportunities	Email, telephone, technical visits, homologation	On demand
	Customers	Product quality, business opportunities, sustainability	Email, telephone, trading, thematic reports, satisfaction survey	Email, telephone, Tradings: continuous Thematic reports: on demand Satisfaction survey: yearly
	Shareholders and Internal Councils Representatives	Financial performance, sustainability	Meetings and thematic reports	Meetings: Monthly Reports: Quarterly
	Bodies of the sugarcane sector	Compliance and internal management processes	Email, news	Continuous
	Governmental bodies	Compliance and internal management processes	Email, news, norms and laws updating systems	Continuous
	Union organizations	Labor rights, collective agreements	Meetings, Assemblies	On demand
	Financial Institutions and Investment Funds	Sustainability, financial performance	Email, telephone, visits	Continuous
	Community	Institutional relations, sustainability, projects	Email, telephone, social network, visits	Continuous
	Media / Press	Industry news, sustainability	Email, telephone, social network	Continuous



List of Material Themes and Subthemes

[3-2]



BIODIVERSITY AND NATURAL RESOURCES

- Soil health
- Water and effluents
- Use of pesticides
- Atmospheric emissions
- Biodiversity
- Climate adaption and resilience
- Conversion of natural ecosystems
- Waste
- Right to land and natural resources



EMPLOYMENT PRACTICES AND LABOR LAW

- Non-discrimination and equal opportunities
- Forced or slave-like labor
- Freedom of association and collective bargaining
- Living income and living wage
- Decrease or frustration of farming jobs
- Occupational health and safety / Exposure to risks
- Child labor



ECONOMIC PERFORMANCE

- Innovation and technology
- Economic inclusion
- Capital generation and distribution



RELATIONSHIP WITH STAKEHOLDERS

- Local communities
- Relationship with suppliers and third parties
- Environmental education initiatives



TRAINING AND VALUING PEOPLE

- Training
- Innovation and improvement of production practices
- Human capital management



GOVERNANCE, ETHICS, AND COMPLIANCE

- Fight against Corruption
- Risk Management
- Legal Compliance

MATERIAL TOPIC	SUBTOPICS	DESCRIPTION	GRI GUIDELINES	SDGs
Biodiversity and Natural Resources	<ul style="list-style-type: none">• Soil Health• Water and Effluents• Use of pesticides• Atmospheric Emissions• Biodiversity• Climate adaptation and resilience• Conversion of natural ecosystems• Waste• Right to land and natural resources	<p>Covers issues related to the conservation and protection of natural ecosystems, wildlife, and water. The related subtopics offer a comprehensive view of the areas of concern and challenges associated with this topic.</p> <p>It highlights the complexity and interconnection of issues related to biodiversity and water resources, emphasizing the importance of integrated actions, conservation policies, responsible use of natural resources, and the search for a balance between human needs and the preservation and conservation of the environment.</p>	303-1, 303-2, 303-3, 303-4, 303-5, 304-1, 304-2, 304-3, 304-4, 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-1, 306-2, 306-3, 306-4 and 306-5	<div><div>2</div><div>6</div><div>7</div><div>12</div><div>13</div><div>15</div></div>
Economic Performance	<ul style="list-style-type: none">• Innovation and technology• Economic inclusion• Capital generation and distribution	<p>Encompasses aspects of economic performance, implemented through innovation and technology to enhance productivity and competitiveness, while ensuring economic inclusion to promote equality of opportunities and a fair distribution of economic benefits across different segments of society.</p>	201-1, 201-2, 203-1, 203-2 and 207-4	<div><div>8</div><div>9</div></div>
Training and Valuing People	<ul style="list-style-type: none">• Training• Innovation and improvement of production practices• Human capital management	<p>The theme is focused on the development, empowerment, and appreciation of employees, through investment in training, fostering innovation, and the promotion of an efficient management of human capital.</p> <p>The goal is to promote well-being in the workplace, generating a more qualified, engaged, and productive workforce, contributing to the retention of talent and positively impacting results and the organizational culture as a whole.</p>	401-1, 401-2, 401-3, 404-1, 404-2, 404-3, 405-1, 405-2 and 10-1	<div><div>8</div><div>10</div></div>
Employment Practices and Labor Law	<ul style="list-style-type: none">• Non-discrimination and equal opportunities• Forced or slave-like labor• Freedom of association and collective bargaining• Living income and living wage• Decrease or frustration of farming jobs• Occupational health and safety / Exposure to risks• Child labor	<p>It addresses the promotion of a fair, ethical, and respectful work environment, ensuring that workers' rights are protected, and that human dignity is valued throughout the production chain. Through implementation of responsible practices and compliance with labor laws, it is possible to contribute to a sustainable social and economic development, respecting the fundamental rights of workers and promoting an organizational culture of respect and fairness.</p>	201-3, 202-1, 401-1, 401-2, 401-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 405-1 and 405-2	<div><div>5</div><div>8</div><div>10</div></div>
Relationship with Stakeholders	<ul style="list-style-type: none">• Local communities• Relationship with suppliers and third parties• Environmental education initiatives	<p>It encompasses a series of interactions and partnerships established with different stakeholders that are impacted or have an interest in activities and results.</p> <p>By understanding the expectations and needs of local communities, establishing responsible partnerships with suppliers, and promoting environmental awareness, one can build a positive impact on both a social and environmental level. Positive engagement with stakeholders is vital for decision-making, risk minimization, and alignment of organizational practices with stakeholder values and interests, resulting in a more holistic and responsible approach to action.</p>	2-29, 202-2, 204-1, 406-1, 407-1, 408-1, 409-1, 411-1, 413-1, 413-2, 414-1, 416-1, 417-1, 417-3 and 418-1	<div><div>10</div><div>11</div><div>17</div></div>
Governance, Ethics, and Compliance	<ul style="list-style-type: none">• Fights against Corruption• Risk Management• Legal Compliance	<p>The topic aims to ensure compliance with laws and regulations, promote ethics, and establish a governance structure that allows decision-making to be made efficiently and responsibly.</p> <p>By adopting a proactive and transparent approach to these issues, the organization reinforces its commitment to integrity, responsibility, and respect for laws and ethical values.</p>	2-9, 2-27, 205-1, 205-2, 205-3, 206-1, 207-1, 207-2 and 207-3	<div><div>8</div><div>12</div><div>16</div><div>17</div></div>





ABOUT NARDINI

Generating the future with confidence and sustainability for 50 years

[2-1 | 2-2 | 2-6]

With products of recognized quality, efficient processes, and a close relationship with all our stakeholders, we produce commodities derived from sugarcane, satisfying the expectations of customers, employees, and society.

Nardini has always acted developing the future of regions where we operate, ensuring opportunity and income generation, encouraging social and cultural actions, all in sustainable ways, preserving the environment, improving the economy, and helping everyone who has a relationship with the company grow.

With two locations, the headquarters in Vista Alegre do Alto/SP, and a new location in Aporé/GO, they add up to a crushing capacity of 6.0 million tons of sugarcane per harvest.

Nardini Agro-industrialis part of the Aurélio Nardini Group, with affiliated companies: Auto Posto Santa Rita and CEN - Companhia Energética Nardini, a subsidiary that produces electricity from biomass.

Timeline

Five decades of a lot of perspiration and inspiration

We believe in the future because we know who we are, and all that we have accomplished in the last 50 years.



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Our Locations

[2-1]

Headquarters

Vista Alegre do Alto

Vista Alegre Farm, km 2.5
SP 323 Highway, Vista Alegre do Alto, SP

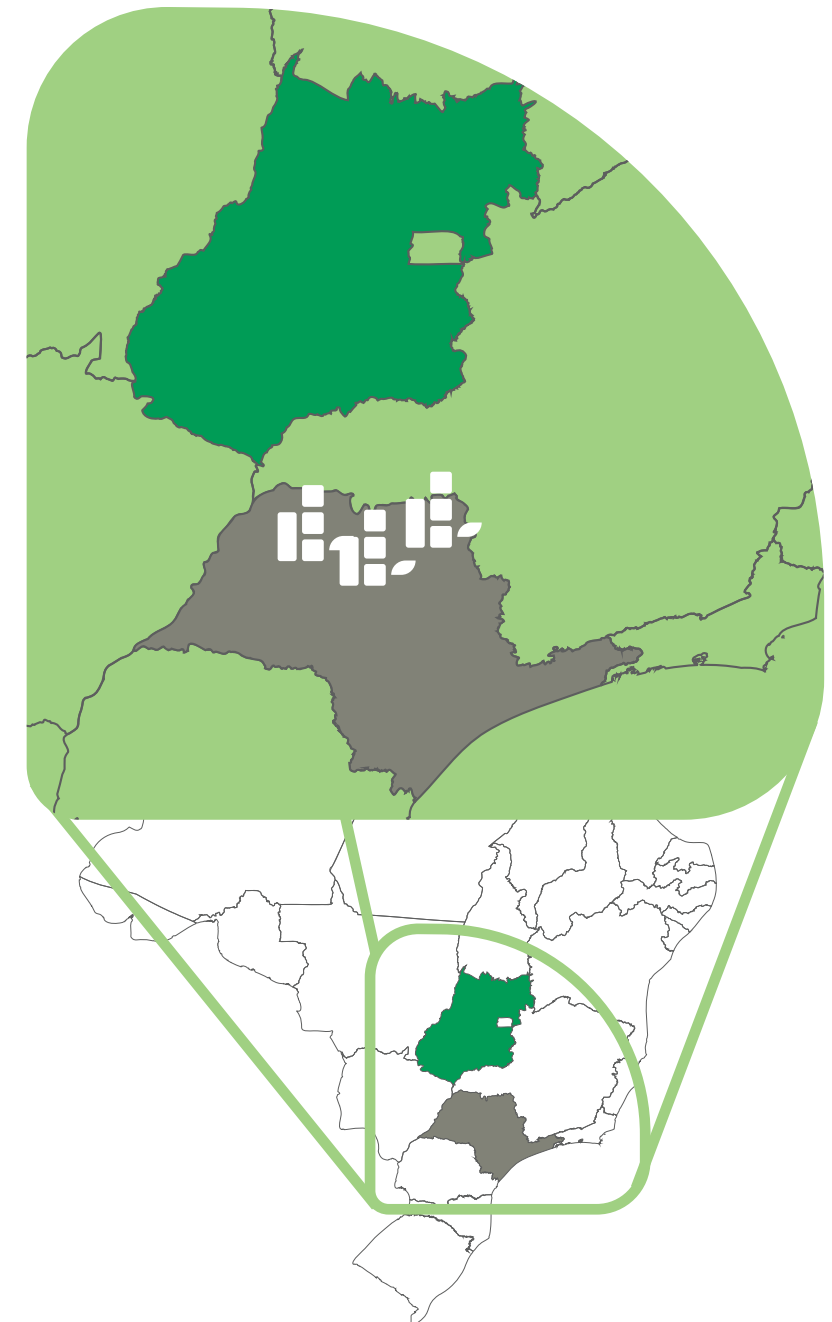
Aporé Location

São Francisco Farm

GO 184 Highway, KM 133 - 760 mts
S/Nº, Rural Area, Aporé, GO

Municipalities where sugarcane is produced in the State of São Paulo

- Ariranha
- Bebedouro
- Cajobi
- Candido Rodrigues
- Catanduva
- Embaúba
- Fernando Prestes
- Itajobi
- Itápolis
- Monte Alto
- Monte Azul Paulista
- Novais
- Palmares Paulista
- Paraíso
- Pindorama
- Pirangi
- Santa Adélia
- Severínia
- Taiaçu
- Taiuva
- Taquaritinga
- Vista Alegre do Alto



A culture that inspires overcoming

In these five decades of a lot of perspiration and inspiration, our gaze has always been focused on the future.



Mission

To produce food and bioenergy that inspires generations, creating value and respecting the environmental, social, and governance aspects.



Vision

To be a company of excellence in the food and bioenergy sector in a sustainable way.



Values

Respect for people and life

We meet stakeholders' expectations, working with excellence and in a safe manner, respecting and protecting people and the environment.

Trust with ethics and transparency

Our reputation is based on trust, consolidated by a professional and close management, ensuring promising futures.

Constant innovation with a focus on excellence

Continuously seeking operational efficiency and implementing technology for continuous improvement of the productive chain, optimizing resources, and actively contributing to sustainability of the whole ecosystem, offering the best support tools and valuing those who think big.

Search for solid and sustainable results

Through planning, organization, collaboration, and efficiency we do everything with extreme quality, from processes to developed products, through current solid commercial relationships and future relationships to be established.

Teamwork

We strive to bring quality to everything we do: products, processes, and internal relationships in our departments, because we value and encourage collaborative work that reinforces the feeling of being part of a team.

Our Portfolio

With our flexible product portfolio, we ensure quality for all industry productions.

[2-6]

During the 22/23 harvest, our headquarters in Vista Alegre do Alto/SP, played a vital role in the production of sugarcane, processing over 4 million tons of raw material. The extension of the production territory encompasses approximately 61 thousand hectares, of which 56% are dedicated to the cultivation of sugarcane itself. We are proud to internally conduct all the stages of the process, from harvesting to transporting sugarcane to our mill. This shows our company's independence and efficiency in all phases of production.



Sugar (Crystal and VHP)

Originating from the transformation of sugarcane juice into sucrose crystals of varying sizes, crystal sugar is a natural sweetener with a white to slightly yellow color. VHP sugar, on the other hand, is destined for the foreign market and has a raw composition, allowing customers to transform it into different types of sugars for consumption.



Ethanol (hydrated and anhydrous)

Serving the domestic market, we sell hydrated fuel ethanol used for direct fueling of vehicles, and industrial hydrated ethanol for the chemical industry. Anhydrous ethanol has no water and is known as dehydrated ethanol.



Energy

Renewable electric energy generated from the co-processing of sugarcane bagasse.



Dry Yeast - UNALEV

Sold under the UNALEV brand, dry yeast is a light brown powder obtained from the excess yeast in ethanol production, with fine granulometry, and its own scent and flavors.



Hydrolyzed and white bagasse

A by-product of sugarcane processing, hydrolyzed bagasse is used as animal feed for nutritional supplementation and white bagasse is sold as a source of fuel for industrial boilers.




Peanuts and soybeans

Planting of peanuts and soybeans are part of crop rotation, a common practice in sugarcane plantation lands, as a type of green manure.


Sold volume of our products

PRODUCT	CROP YEAR		
	20/21	21/22	22/23
Sugar (Crystal and VHP)	382,050 t	305,671 t	341,704 t
Ethanol (Hydrated and Anhydrous)	130,193 m³	121,030 m³	128,023 m³
Dry Yeast	3,395 t	2,713 t	3,157 t
Energy	175,350 MWh	156,978 MWh	153,192 MWh
Hydrolyzed Bagasse	4,578 t	1,215 t	1,904 t
White Bagasse	-	-	72,364 t
Peanuts and Soybeans (Crop Rotation)	1,661 t	4,269 t	10,156 t


Markets we serve




Sugar (Crystal and VHP)




Internal Market: São Paulo, Minas Gerais, Espírito Santo, Pernambuco, Ceará, Rio Grande do Sul, Rio Grande do Norte, Rio de Janeiro and Alagoas.




External Market: : Albania, Angola, Algeria, Benin, Cameroon, Canada, China, Colombia, Congo, Ivory Coast, Djibouti, United Arab Emirates, United States of America, Gambia, Ghana, Georgia, Guinea, Yemen,Latvia, Liberia, Madagascar,Morocco, Mauritania, Nigeria,Kenya, Senegal, Sierra Leone, Somalia, Togo, Uruguay and Uzbekistan.




Ethanol (Hydrated and Anhydrous)




Internal Market: São Paulo, Rio de Janeiro, Espírito Santo, Minas Gerais, Santa Catarina, Bahia, Paraná and Goiás.




External Market: Netherlands, Ukraine, and United Kingdom.




Dry Yeast - UNALEV




Internal Market: São Paulo, Paraná and Minas Gerais.




External Market: Taiwan.




Bagasse (Hydrolyzed and White)



Internal Market: São Paulo.



Peanuts and soybean (crop rotation)



Internal Market: São Paulo.



Certifications and Seals

With each harvest we seek to be more efficient

Throughout the years, our permanent dedication to the best practices in the production and harvest of raw material has led us to be recognized and certified by institutions of high prestige.



ISO 9001 - Quality Management System

By obtaining our ISO 9001 certification, we can say that we have a highly effective Quality Management System, which provides a clear vision of our organizational processes and their interactions. This ensures the conformity of our products, the satisfaction of our clients, and enables efficient management of both our individual processes and the system, based on the PDCA methodology (Plan-Do-Check-Act).



FSSC 22000 -Food Safety Management System

Aligned with the requirements of ISO 2200, the good manufacturing practices and requirements that help the company deal with risk in various areas, by obtaining this internationally recognized certification, we are effectively demonstrating our commitment to ensuring the production of safe food, controlling hazards, and eliminating risks to consumer health.



BONSUCRO

We are certified by Bonsucro, the main global sustainability platform

Our certification covers two standards: the EU-RED Production Standard and the EU-REDChain of Custody Standard.

By joining these two standards, we ensure that the production of sugarcane is a boost for the well-being of the communities of producers, ensuring fair treatment to everyone involved in the process. In addition, we create transparent and sustainable supply chains that can be tracked over time, further reinforcing our commitment to environmental and social responsibility.



RENOVABIO

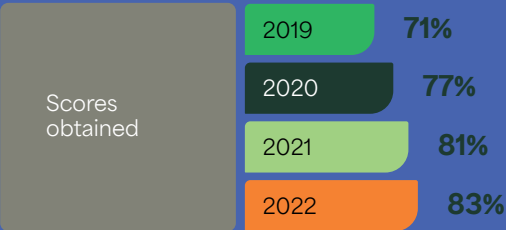
RenovaBio is a public policy that aims to promote the expansion of biofuels in Brazil based on more sustainable production models, encouraging the reduction of greenhouse gas (GHG) emissions, and contributing to the fulfillment of commitments assumed by the country at COP21. (Learn more on page 69).



Great
Place
To
Work®

GPTW - GREAT PLACE TO WORK

The Great Place to Work seal is the biggest reference in management research to measure the quality of the internal environment and organizational culture, in addition to identifying the perception of employees about the organization and leadership. This is the fourth year in a row that we have achieved the seal, this time with an improvement in our indicators. The GPTW seal recognizes us as an excellent company to work for.



GREENER ETHANOL

We are fully committed to the application of Technical Directives established by the Greener Ethanol Agroenvironmental Protocol. This agreement was signed together with the Government of the State of São Paulo, represented by the Secretariat of the Environment and the Environmental Company of the State of São Paulo, together with the Sugar and Energy sector.

The Greener Ethanol Agroenvironmental Protocol is a reference that consolidates the most advanced sustainability practices in the sugar-energy production chain in the state of São Paulo. By adhering to this commitment, we demonstrate our responsibility and dedication to sustainable development, aiming to protect the environment and focus on the continuous improvement of São Paulo's sugar and energy industry.



GREEN ENERGY SEAL - CEN

Nardini -through its subsidiary CEN- holds the Green Energy Seal, due to its registration in the Bioelectricity Certification Program. This Seal is issued and renewed by UNICA every year, in partnership with CCEE (Chamber of Electricity Trading), encouraging the sugar-energy sector to participate in bioelectricity in the Brazilian energy matrix.



4

GOVERNANCE

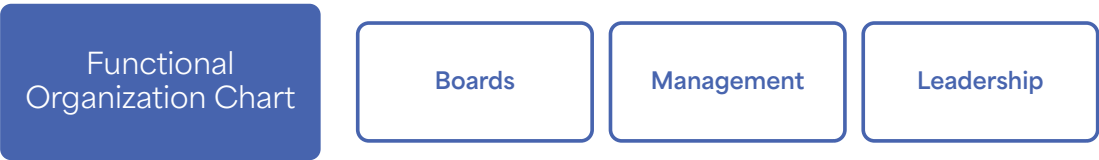
Our work is based on trust and transparency.

#GrandePorNaturais

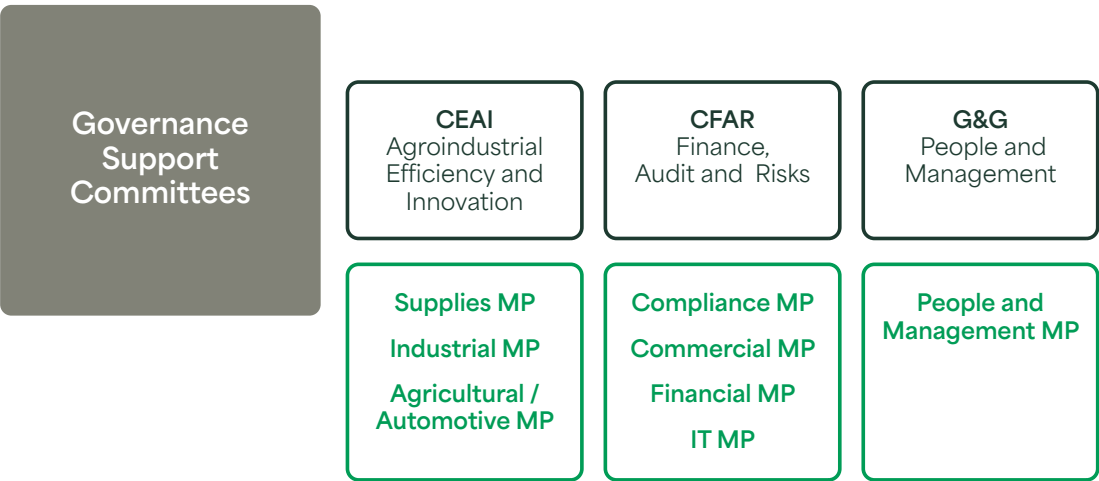
Governance Structure

[2-9 | 2-11]

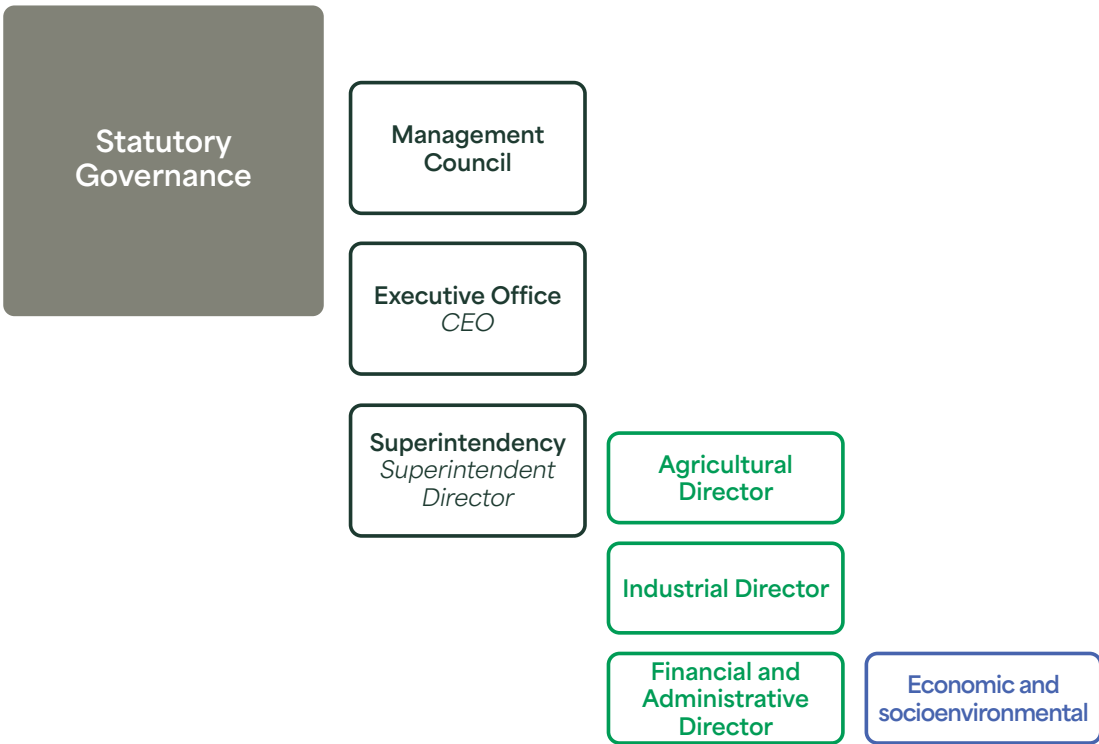
GENERAL ASSEMBLY
OF SHAREHOLDERS



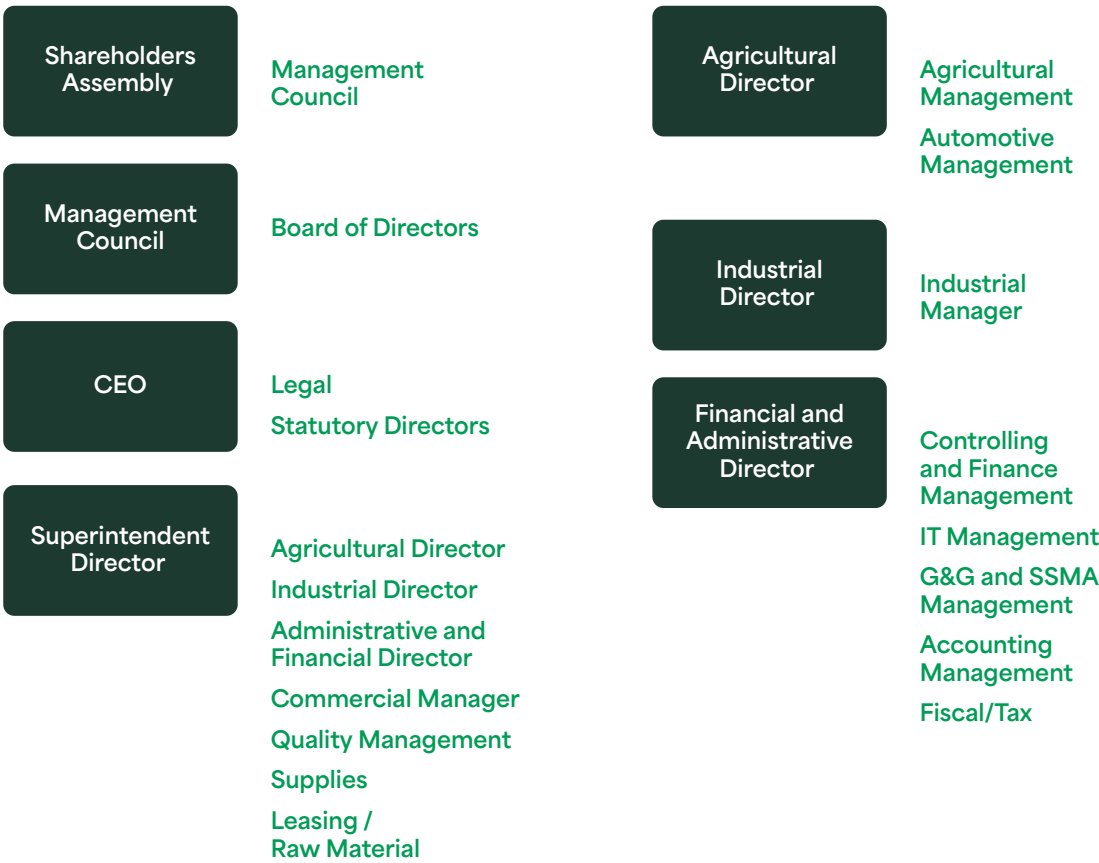
MANAGEMENT
AND PERFORMANCE



GOVERNANCE
SUPPORT COMMITTEES



DELEGATION
OF AUTHORITY



General Assembly of Shareholders

[2-10 | 2-12]

The Shareholders’ Assembly holds the most important role when it comes to corporate governance, being responsible for defining the companies’ general strategic policies, for the election of directors and for supervising their management, among other attributions.

The directors are nominated at the Ordinary General Assembly for 3-year terms, ending in 2023, and can be re-elected. The Shareholders’ Assembly ordinarily meets once a year and extraordinarily whenever summoned by any of its members. During the meetings, they carefully analyze economic, social, and environmental topics related to the company.

Through the members’ deliberative power, the decisions that will conduct the company are taken, such as: approving business strategies, deciding on profit allocation and dividend distribution, nominating members of the Management Council and the Board of Directors, defining compensation of advisors and directors, beyond defining general policies of the company for the election of directors and supervising their management, among other attributions.

Nardini has an internal communication system that addresses the most diverse subjects of general interest, and those focused on social and environmental topics, with the goal of updating and engaging its employees, including senior governance. [2-17]

Management Council

The Management Council acts as a bridge between the Board of Directors and the Shareholders, with functions, powers, and attributions duly established. Its members provide guidance about guidelines to be followed and strategic approaches, actively participating in deliberations on important issues, making decisions and taking joint responsibility for the direction of the business.

Comprised of six counselors, the Council is responsible for elaborating and approving strategic plans, as well as monitoring the executive management, having a key role in the management of relationships between shareholders and acting as guardians of the shareholders’ interests.

The members of the Management Council are appointed by the Shareholders’ Assembly for a 2-year term, and may be re-elected, according to the bylaws. They are chosen for their independence, knowledge, and competence, and are vital to support the company in its challenges.



Board of Directors

[2-11 | 2-13]

The Board of Directors is composed of the Chief Executive Officer (CEO) and four Statutory Directors, acting together with the Management Council and its committees, with the goal of boosting projects of high impact at the Company. The Board of Directors is responsible for conducting the executive management of the organization, seeking strategic efficacy and operational excellency, and elaborating strategies that meet the expectations of our shareholders.

The Board of Directors also has the responsibility of planning and operationalizing an efficient risk management and internal controls systems when it comes to economic, social, and environmental aspects, including, when necessary, the adaptation of policies and procedures, to ensure that Nardini can reach its goals. All these roles are performed under the supervision of the Management Council.

The members are appointed by the Shareholders Assembly for a three-year mandate and may be re-elected as established in the bylaws.

The CEO is also a part of the Shareholders’ Assembly, leading the organization and looking to reach the goals established by the Management Council, in addition to responding to the guidelines and definitions of that body.

The main functions of the CEO at Nardini are:

- **To lead the organization, looking to reach goals defined by the Management Council.**
- **Respond to the guidelines and definitions of the Management Council.**

The Sustainability Report is analyzed and approved by the CEO. Other directors and members of the Management Council are also involved in the approval of the report. [2-14]

Committees

The committees have a fundamental role in supporting the governance and are composed of advisers.

Performance Management Groups

The Performance Management Groups have a crucial role in supporting the committees, focusing on monitoring, and analyzing data and performance indicators. These working groups are made up of company management and other process leaders.

Committed to gender diversity, we have made efforts to increase the number of women in leadership roles, in addition to prioritizing internal recruitment to give opportunities to people trained by the company. The goal is to work on inclusion in all stages of the selection process. [2-10]

Role played by the highest governance body in the sustainability report

[2-14]

Projects related to economic, environmental, and social aspects, that may be of great relevance and impact to our business, go through a careful analysis and viability study conducted by the Management Council. Only after approval by a part of the Council are these projects submitted to evaluation and approval of the General Assembly of Shareholders.

Once approved by these bodies, the Board of Directors, led by the CEO - who is also a shareholder -, works together or delegates responsibilities to the Statutory Directors for the execution and development of the projects. This teamwork ensures a complete and effective approach in conducting the selected projects.

Performance evaluation

[2-18]

Performance evaluation is applied to the Board of Directors through the internal tool RM (People Management System), applied once a year. It is a 180° assessment and, therefore, includes a self-assessment that helps link the performance of managers to the priorities of the business.

Conflicts of Interest

[3-3 | 2-15 | 2-23 | 2-24]

When it comes to policies that aim to avoid conflicts of interest, the following measures stand out:

Successor Selection Process

The People Management Committee, together with the Management Council and with help from the Board of Directors, carefully analyzes the potential candidates, based on the Director Succession Policy. This policy establishes criteria that ensure the candidates do not present any possible conflicts of interest.

Selection of Advisers

In accordance with the Policy for Nominating and Filling Council Positions, the selection of potential advisers is carried out with the goal of ensuring there will be no conflicts of interest and that the nominees are in compliance with their fiduciary duty as occupants of that function.

Related Parties

Our Policy for Transactions with Related Parties establishes that, whenever a key person in company's management has interests that conflict with the interests of the company or its subsidiaries, this person must abstain from participating in the decision-making process, ensuring the impartiality and the integrity of the actions.

Risk Management

[3-3 | 2-23 | 2-24 | 2-25]

We have implemented a Risk Management Policy that applies to all areas of the company, establishing criteria for risk identification, analysis, treatment, and monitoring. This policy encompasses both the internal and external context of the company.

Our approach involves the mapping and following of all events, internal or external, that are related to the strategies and business goals of the company. This procedure aims to ensure that any risks that can materialize are previously known and managed in an adequate manner, keeping them at acceptable levels.

It is important to highlight that the risks considered priority, together with their corresponding action plans, are closely monitored by the Board and Management Council, ensuring an effective and responsible management.

Main Impacts, Risks, and Opportunities

[2-25]

Counting on the support of a specialized consultancy, we have identified the main risks, with the goal of establishing response and monitoring strategies. Each identified risk is classified in a specific matrix and, for each of them, an action plan is developed, with this plan being assigned to the manager responsible for the risk in question.

To keep the company's management informed about risk management, we hold periodic meetings, where the mapped risks are reported. At these meetings, the actions taken to face the risks are presented, as well as the progress of each. The goal is to guarantee sustainability and continuous good functioning of the company, ensuring solid and prosperous operation.

Strategic	Financial	Operational
Technological Gap	Unethical conduct, fraud, and non-adherence to rules and norms	Accidents and incidents at work
Image and Trust (Governance and Transparency)	Risk management	Low sugarcane productivity
Markets and competition	Liquidity or insufficient cash	Property damage and physical integrity
Product non-conformity and sabotage	Loss of revenue and cash generation	Explosion and fire
Loss of talents		Third-party management
Sugarcane supply		Infrastructure and logistics
Reputation and image		Production stoppage and industrial inefficiency
Sustainability and corporate responsibility		Regulation and taxes
		Information security and data use

Ethics Code

[3-3 | 2-23 | 2-24]

We have officially implemented an Ethics Code, a document that establishes guidelines for the interaction of the company with its stakeholders. Through this code, we have taken the commitment of being responsible not only for financial growth, but also for the social and environmental development of the region and the country.

Access our Ethics Code

Nardini Ombudsman

[3-3 | 2-26 | 406-1]

The Nardini Ombudsman represents an important means of reinforcing our commitment to transparency and ethics. This independent, confidential, and impartial tool was created to be accessible both to Nardini’s external and internal public.

Here, we prohibit any discrimination practice related to race, color, gender, religion, political opinion, national ancestry, or social origin. This makes our channel a safe and confidential environment, hosted externally to the Nardini System, and managed by the platform Contato Seguro.

Suggestions

Complaints

Information

24h service

Contact: 0800 000 3080

Acess: contatoseguro.com.br/nardini

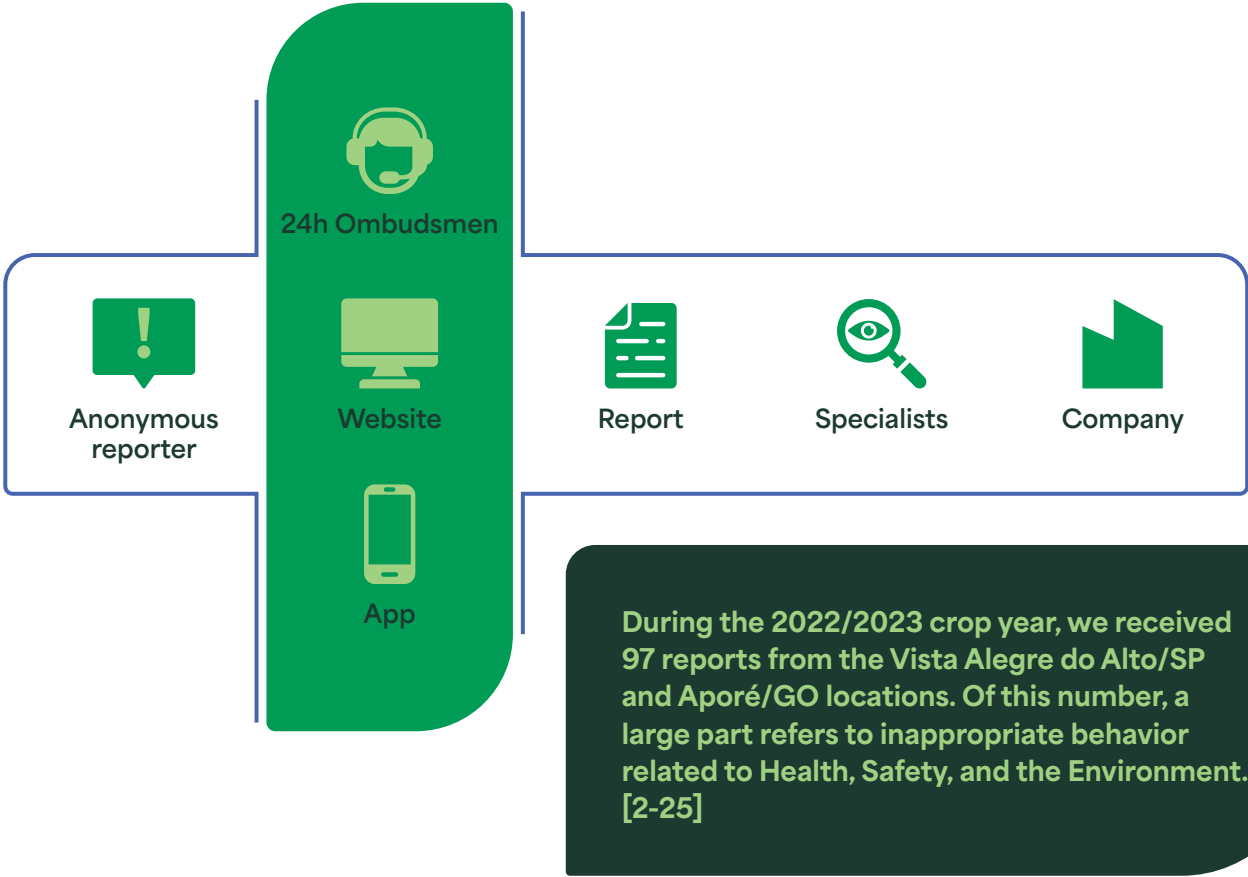
Get the app



How it works

The user can register any complaints and suggestions, or ask any questions through a variety of options: a phone call to the 0800 number, through the website or through the available app. Our ombudsmen are available 24 hours a day, 7 days a week, throughout the year.

It is important to highlight that all phone calls are free, regardless of your location in the country. Furthermore, identification is not required when registering, ensuring total anonymity for those who wish to.



Communication of critical concerns

[3-3 | 2-16 | 2-25]

Critical concerns are formally informed through meetings between the Board of Directors and the Management Council and, subsequently, with shareholders.

Nardini does not have formal control over the number of critical concerns, due to potential wide variations. Such concerns are influenced by the urgency in decision-making. Matters discussed at the meetings of the Board of the Directors, Management Council, and Shareholders Assembly are duly recorded in the minutes.

Participation in Associations

[2-28]

We actively participate in and interact with associations, as well as maintaining agreements with institutions, aiming to address the main topics and discussions related to our operations.

In relation to the municipal scope, we establish direct contact with city halls to discuss pertinent issues, always based on the ethical principles outlined in our Code of Ethics.

Among the associations and agreements, we can highlight:



BIOCANA - Association of ethanol, sugar, and energy producers

Body dedicated to the search for corporate solutions for the development of policies and projects that meet the demands of associated companies. Its performance is guided by the commitment to respect environmental, social, and economic issues, seeking a sustainable balance in its initiatives.



UNICA (Sugarcane Industry Union)

Representative entity of the main sugar, ethanol, and bioelectricity producing units in the Central-South region of Brazil, especially in the State of São Paulo. Its performance is based on being aligned with the interests of the producers of these sectors, both nationally and internationally.



SIFAESP - Union of the Alcohol Manufacturing Industry in the State of SP / SIAESP - Syndicate of the Sugar Industry in the State of SP

They are employers' union organizations that act as representatives of the alcohol and sugar industries in the State of São Paulo before the administrative, legislative, and judicial authorities.



SIFAEG - Union of the Ethanol Manufacturing Industry of the State of Goiás / SIFAÇUCAR - Union of the Sugar Manufacturing Industry of the State of Goiás

Exercises the legal representation of ethanol and sugar producers, assuming the coordination of institutional actions with government agencies, class entities, business segments, institutions, and other relevant partners. Its initiatives are guided by the commitment to socio-environmental sustainability.



RIDESA (Interuniversity Network for the Development of the Sugarcane Sector)

Its mission is to promote and enable advanced genetic improvement research for the development of RB harvest of sugarcane. The research activities are collaborative and shared with several universities, encouraging the exchange of information, knowledge, and results. In addition, it performs the calibration of macro and micro-nutrients present in the soils, providing precise recommendations for liming and fertilization of sugarcane. It also works on the optimization of industrial processes in the manufacture of sugar and alcohol, constantly seeking the improvement of these practices.



CTC (Sugarcane Technology Center)

Biotechnology company whose main objective is the research, development and commercialization of sugarcane varieties that meet the needs of producers, contributing to increased productivity by using disruptive technologies. Its focus is on driving agricultural progress by providing improved varieties that promote the growth and success of the sugarcane industry.



IAC (Agronomic Institute of Campinas)

Its purpose is to generate and disseminate scientific knowledge, technology, and products to improve plant production systems, considering environmental responsibility. Its objective is to contribute to socioeconomic development and food security through research, training of professionals and preservation of agricultural heritage.





5 ECONOMIC PERFORMANCE

Expanding Results

[3-3 | 203-1 | 203-2]

Following the performance of past harvests, 22/23 presented promising results, mainly related to the investments we have been making. The new operational plant in Aporé-GO is starting to mathematically represent the significant growth we expect for our business.

Up until the end of the harvest, on March 31st, 2023, we have invested R\$ 166.859 million in planting sugarcane and R\$ 492.979 million in vehicles, agricultural machinery, infrastructure, and industrial units.

In terms of crushing, in this harvest we reached 4,011,000 tons of sugarcane and, for the next one, the estimate is to crush more than 4,600,000 tons. We currently have a crushing capacity of 6.0 million tons of sugarcane per harvest.

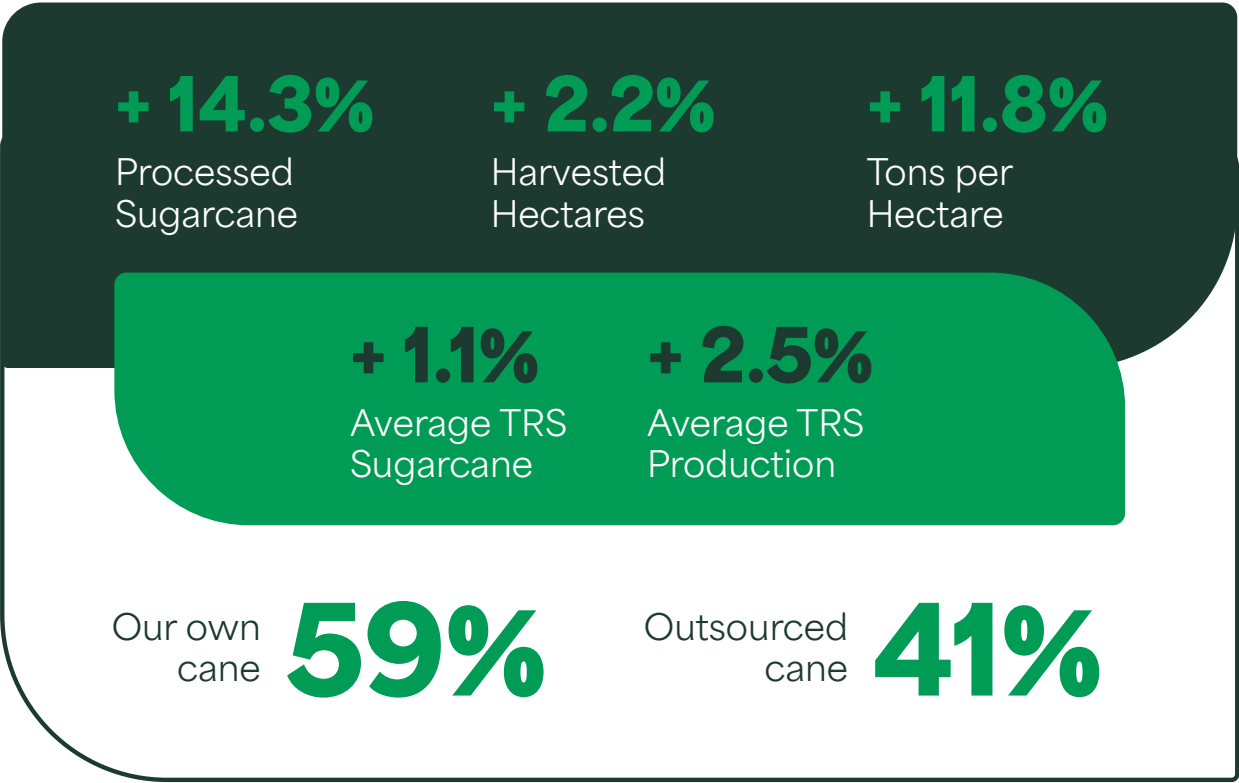
We reinforce our commitment to increase production and take advantage of market demands.

To make our expansion viable, we were able to raise funds in the amount of R\$ 505 million, which will allow us to safely finalize the investments. We are confident the new unit in full operation will enable us to produce ethanol and electricity starting in May 2023, with an expected initial crushing of 900 thousand tons of sugarcane.

With dedication, innovation, and a lot of work, we continue to achieve positive results and contribute to the development of our sector and the Brazilian economy. We are increasingly consolidating our position as a leading and reference company in the sugar and alcohol sector.

Another outstanding harvest

[3-3 | 201-2 | 203-2]



We are again very pleased to announce our key operating results achieved during this latest harvest. All the main indicators showed positive variation, driving us to reach new levels of production and associated revenues.

We are continuously accumulating good results over the last few harvests.

We highlight the 14.3% increase in the amount of sugarcane processed as a result of the efforts made by the oriented management and optimization of our production processes. Promoting greater efficiency in the productive stages and in the improvement of cultivation techniques and agricultural management, we had an increase of 11.8% of tons harvested per hectare.

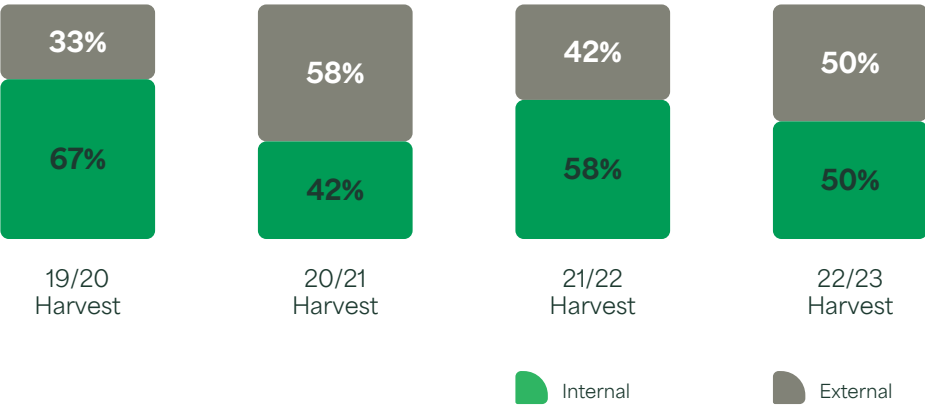
We directed our operation to the continuity of activities in Vista Alegre, but mainly to the development of the new unit in Aporé-GO. We invest in advanced technology, offer training and capacity building, and adopt more sustainable practices, accompanying the expansion of our operations.

Like any company in the industry, we are exposed to risks and impacts on production. Climate changes have resulted in variations in the average TRS of sugarcane, that is, in the amount of sugar present in each ton of cane harvested. Consequently, the TRS produced in the harvest also varied negatively, but both in low proportions.

Our team has been working to optimize the processes of cultivation, harvesting and production, adopting practices to ensure maximum productivity even in the face of climate challenges. In addition, we are seeking partnerships with industry experts and researchers to better understand the effects of climate change and develop adaptation strategies.

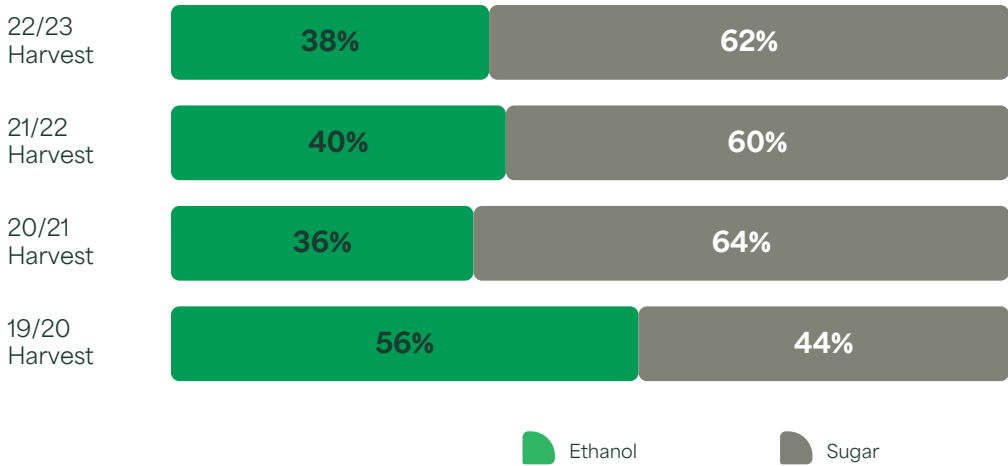
We are always empowering ourselves and looking for ways to stay ahead of problems, with quick and assertive solutions to any adversity. This not only strengthens us as a company, but also contributes to the increase in production, making it possible to meet the growing demand for ethanol and sugar, contributing to the national supply and exports to other countries.

MARKET DISTRIBUTION



Internal and external sales have reached a 50-50 equilibrium, responding to market fluctuations, and taking advantage of opportunities through a flexible approach to serving different customers.

PRODUCTION MIX



Another strong characteristic of our operation is the ability to adapt production according to market conditions. Our ability to diversify is a competitive advantage that allows us to respond in an agile way to the fluctuations of the sugar and alcohol sector.

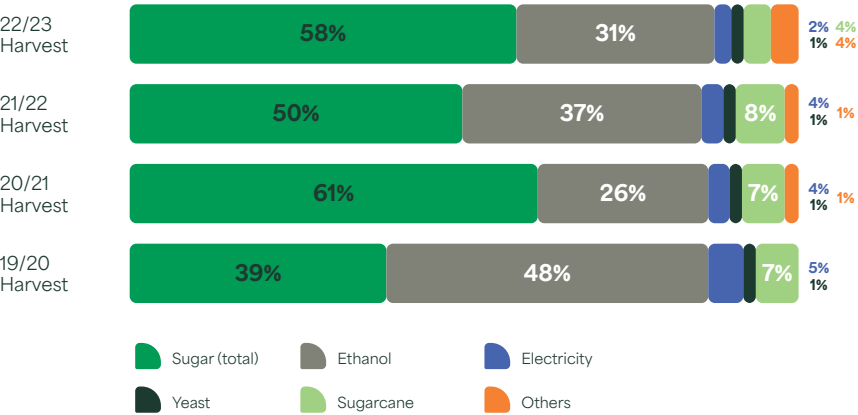
		19/20	20/21	21/22	22/23	%
Sugar (Total)	mil/t	226,7	390,6	296,4	343,9	16,0%
Ethanol (Total)	mil/m³	178,3	136,0	120,9	125,7	4,0%
Electricity	mil/MW	163,0	158,0	144,3	112,7	-21,9%
Yeast	mil/t	2,7	3,3	2,8	3,1	10,7%

We are pleased with the continued growth across key product lines.

We also had a significant growth in the production of sugar, which had an increase of 16.0% compared to the previous harvest, yeast with 10.7%, and ethanol with 4.0%.

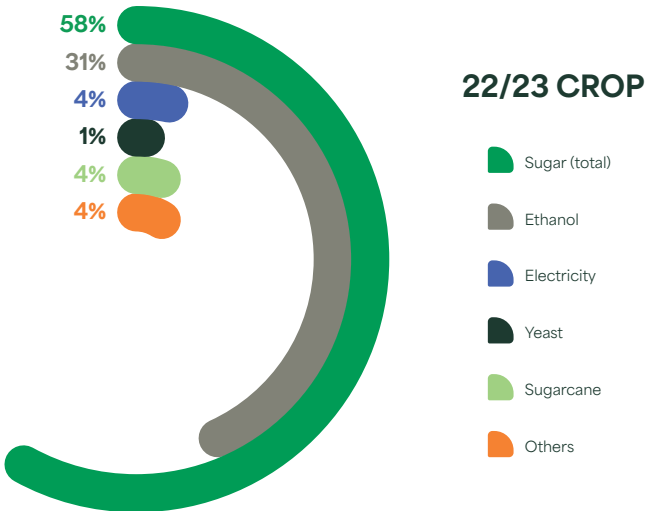
It is important to note the reduction of 21.9% in the production of electricity in this last harvest. This decline can be attributed to external factors such as the drop in values associated with the sale and generation of electricity.

REVENUE PER PRODUCT



In all harvests, sugar and ethanol were the main products responsible for the company’s revenue. However, we have observed fluctuations in the proportions of these two products over the years.

In 2022/2023, sugar remained the main revenue generator with 58%, while ethanol accounted for 31%. Electricity had a significant reduction compared to previous harvests, representing only 2% of revenue, given the devaluation of the market.



These variations in revenues per product reflect market dynamics, which impact demand and production and marketing strategies. We are always attentive to these variations to make strategic decisions and ensure the financial sustainability and continued growth of our operations.



Structuring the Future

[3-3 | 203-1 | 203-2]

We face a challenging period in many ways. The national scenario of uncertainties in policy has affected the demand and supply of products, leading to fluctuations in the prices of major commodities. Changes in the prices of subsidies, taxes and regulations have also impacted the market, creating an environment of volatility.

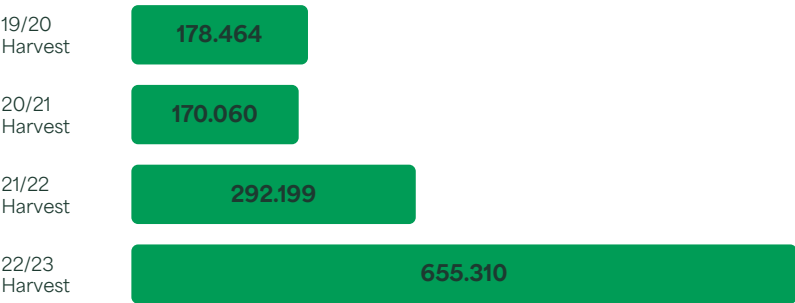
The variation in the prices of oil and its derivatives, as inputs for production, increased the cost of operations. It also influenced the prices of ethanol and other products of the sugar-alcohol sector as a source of revenue.

In addition, the macroeconomic scenario of war affected international trade routes and agreements, affecting costs on a large scale. The competitiveness of the Brazilian sector and export opportunities were also influenced.

The numbers associated with the operating cost of the period deserve to be highlighted, because they suffered from those external impacts, mainly interfering with the values of inputs necessary for production. This scenario, added to our internal, which was going through a full operational expansion, resulted in the value 124% higher cost than the previous harvest.

It was the biggest CAPEX of the last harvests. But this was also due to our new unit, where the invested value will be returned in revenue and is, therefore, justified.

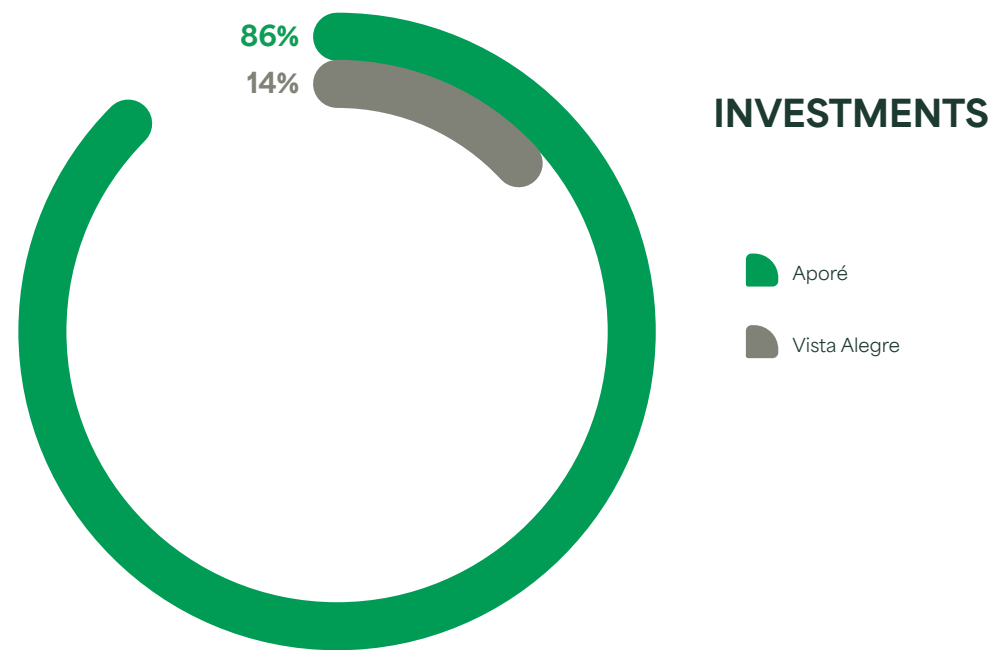
CAPEX EVOLUTION



Regarding agricultural and industrial investments, we have allocated resources strategically to the two operating units, focusing mainly on the Aporé unit. A significant 86% of the amount invested was allocated to it, while for Vista Alegre an approximate amount of R\$ 52,000 (millions) was allocated.

	AGRICULTURE	INDUSTRIAL
Aporé	15,601	305,760
Vista Alegre	33,027	19,058
TOTAL	48,628	324,818

Adding the two units, the investment totals R\$ 48,628 (million) in the agricultural area and R\$ 324,818 (million) in the industrial area. This unbalanced distribution is a reflection directly related to the operational preparation of the Aporé unit to start its activities. We are committed to continuing to invest smartly to drive the sustainable growth of our company.



We have demonstrated that we are prepared to adapt quickly to changing market conditions, and yet keep growing. With a strategic and flexible posture, we were able to maintain the stability of operations.

We are attentive to the developments for the next harvest, in the search for solutions that guarantee our competitiveness and sustainability, regardless of the scenario that awaits us. Thinking about the future and being one step ahead is what we have done in these 50 years of history.

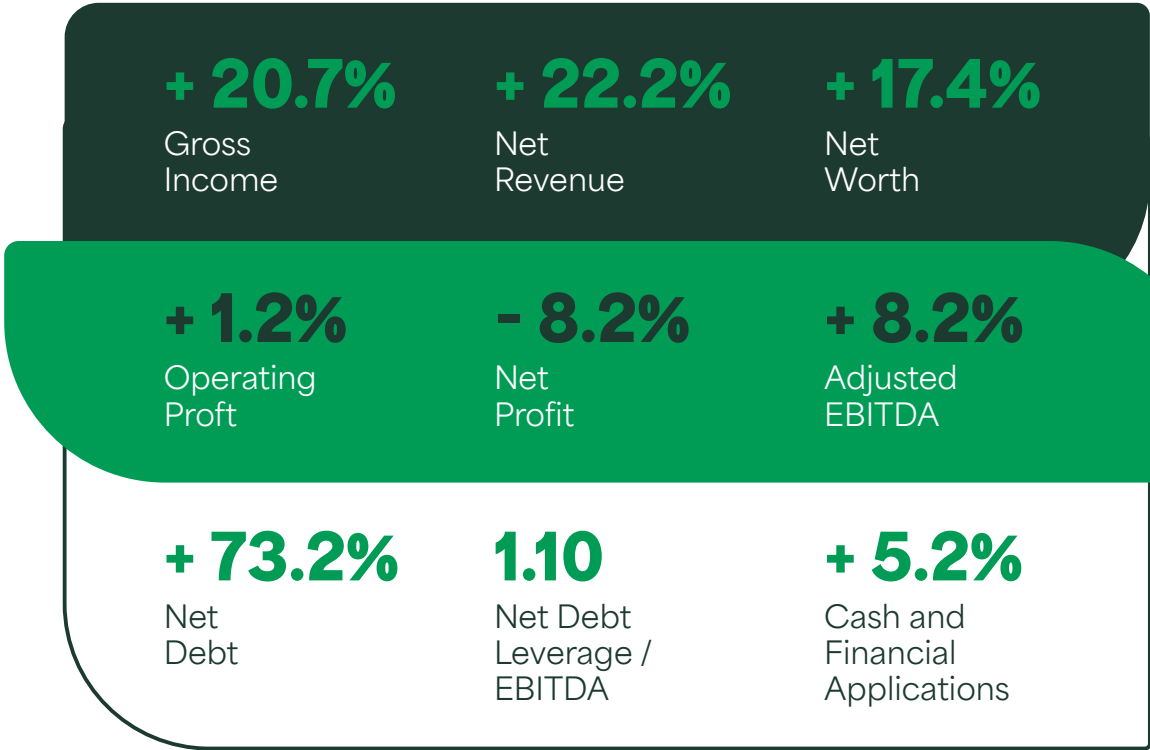
In constant evolution

[2-1 | 2-2 | 3-3 | 201-1 | 207-4]

Our operations have expanded, increased, and become more complex. The adverse external scenario impacted costs by raising our CAPEX, and yet we remained firm in our objective. We were not shaken and continued with the project planned for Aporé, with high investments and a lot of work.

The results were an achievement. We obtained positive variations in the main financial indicators, continuously surpassing ourselves with each harvest.

The financial statements used as the basis for the performance analysis were duly audited and rely on the record of the consolidated information of the units of Nardini Agroindustrial Ltda and its subsidiary, Cia. Energética Nardini. Both privately held, had the information prepared and presented in accordance with the accounting practices in force in Brazil.



Our Gross Income grew significantly, reaching a high of 20.7%. Net Revenue also grew by 22.2%. These numbers were fundamental to absorb the investments and impacts on costs that occurred during the harvest.

We increased net debt to finance our expansion strategy by 73.2%, thereby increasing the net debt/EBITDA ratio by 60%. This leverage is in line with investment planning, designed from the responsible management of debt to ensure the financial sustainability of the company.

Another impact of the expansion was the increased need for working capital to maintain operations. Having this clear demand is essential to manage financial resources efficiently, ensuring a healthy cash flow to sustain operations without losses.

Our management was effective, focused on the profitability of the business.

To ensure the turnover and continuity of the projects, we increased the capital of third parties in relation to our own, resulting in an 83% increase in financial expenses. Even with this increase, it was possible to hold the reduction of Net Income by only 8.2%.

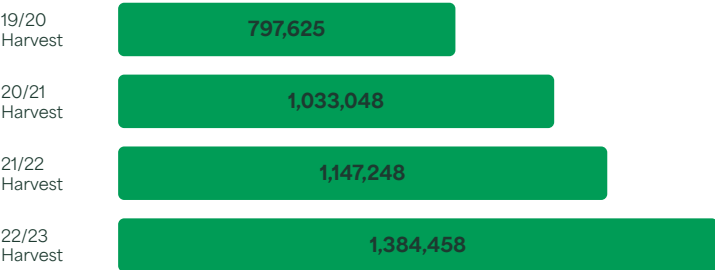
We were able to achieve an increase of 1.2% in Operating Profit and 8.2% in Adjusted EBITDA. We ended the period with 5.2% in Cash and Applications, always managing financial resources responsibly.

Another outstanding indicator is the growth of 17.4% in our Net Worth. This indicator reflects the commitment to ensure the continuity of investments, where the increase was mainly due to the contribution to the constitution of profit reserve specifically for the Aporé project.

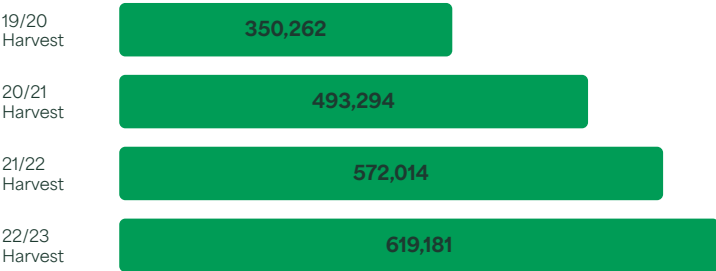
The balance of results was achieved through prudent management of resources, which at the same time guaranteed resources for our projects and initiatives to grow and maintain the operation. **We remain in a robust and secure financial position.** We have full confidence in the process, and we patiently await the harvest of the results of the investments planted in this crop.

Highlights of our overcoming in between harvests

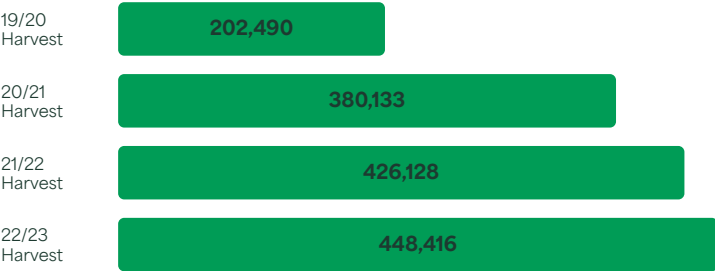
OPERATING PROFIT



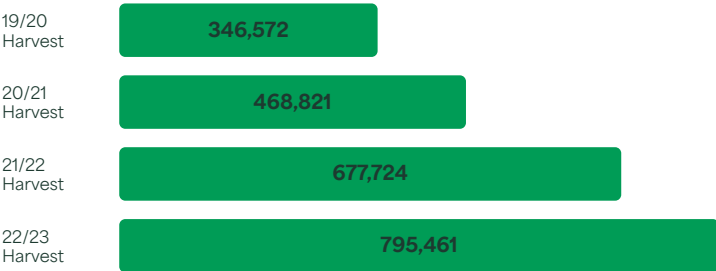
ADJUSTED EBITDA



CASH AND APPLICATIONS



NET WORTH



We trust the Returns

[201-1 | 202-2 | 203-2 | 204-1]

The distribution of added value in a balanced way, combined with the commitment to partners, suppliers, employees, and the community, reinforces our relevance in the sugar-alcohol sector and in the economy in general. By analyzing the distribution, we have strengthened the performance and financial sustainability of the operations.

Our numbers highlight our ability to generate and distribute economic value to the different agents involved with the operation and its interfaces.

	2022/2023
Revenue	1,394,360
Operational	583,488
Depreciation and amortization	196,009
ADDED VALUE	614,863
Personnel and charges	158,735
Tributes	38,731
Interest and rent	213,999
Remuneration on equity	203,023
Community	375
ADDED VALUE	614,863

*In thousands of reais

The added value resulting from the harvest was R\$ 614,863, 8% higher than 21/22. This indicator is a measure of our economic contribution to society, adding value to the economy.

The amount allocated to the payment of personnel and charges was R\$ 158,735, the largest portion ever distributed. This value is associated with labor costs and indicates the commitment to our employees and the positive impact on the generation of employment and income in the region where we operate. We continue in this harvest with 100% of the board members locally hired.

Local and regional support is aligned with our vision of socio-environmental responsibility.

We maintain our strong integration with the community, prioritizing 100% local raw material suppliers. This commitment to the region is also reflected in the choice of suppliers of inputs and services, with approximately 10% coming from the local area, covering the municipalities associated with small industrial centers.

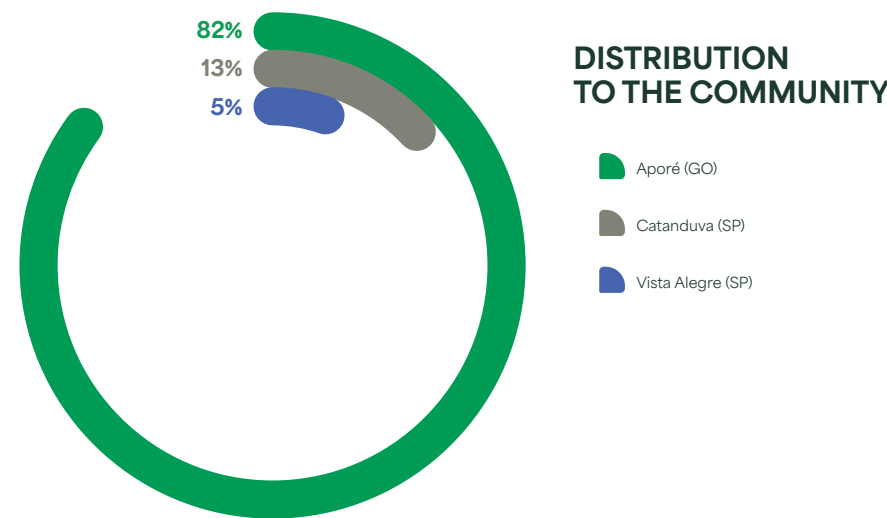
We have further expanded our coverage to about 90 to 95%, considering that all suppliers are from the state of São Paulo, especially in strategically positioned cities such as Ribeirão Preto, Sertãozinho, Catanduva, São José do Rio Preto, Piracicaba, and surrounding cities.

The partnership with local suppliers drives growth and job creation in the communities, contributing to the promotion of a sustainable production chain and strengthening ties with the community.

In addition, we seek to diversify sources of supply and ensure a solid supplier base. By making use of strategically located industrial centers, we optimize logistics and reduce operating costs, benefiting our efficiency and competitiveness in the market.

The values distributed directly to the community are once again highlighted.

In this sense, R\$ 350 thousand was shared with the community, in the continuous engagement in social actions and social responsibility that we have as a priority. We are fundamental to the development and general well-being of the communities where we operate.



We direct the distribution of the value we generate mainly to the region of our new unit, contributing from the preparation phase in the development of this site. The investments made in the Aporé-GO unit had a significant impact on the local economy throughout this year.

The construction of the unit not only contributed to the development of the municipality, but also boosted the collection of ISSQN (Tax on Services of Any Nature) in the region. In addition, it mobilized various sectors of the economy, such as real estate, hospitality, restaurants, fuel consumption and other related services.

The main actions involved were in the financial contribution to projects such as Art everywhere, through the Rouanet Law and to the Fund for the Support of Children and Adolescents. We also donate air-conditioning units and assist schools in the municipality of Aporé.

During the construction phase, the company generated new direct jobs, providing employment opportunities for the local community. In addition, the hiring of outsourced workers also boosted job creation and income in the region.

To ensure operational excellence, the company invested in training and qualification for its employees, in addition to hiring specialists to meet the specific demands of the unit. This initiative also stimulated the need for educational institutions in the region, contributing to the development of the local educational sector.

The unit in Aporé-GO plays a key role in increasing the supply of renewable fuel and generating electricity from sustainable sources. In this way, we reinforce our commitment to sustainability and the reduction of carbon emissions.

Adopting an innovation posture, we implemented the Innovation Committee, encouraging the collection of suggestions to improve processes and increase productivity. The best ideas are selected and developed with dedicated resources and studies for their implementation, boosting the efficiency and competitiveness of the business.



In addition, we have established strategic partnerships with groups that focus on Startups, universities and other entities specialized in relevant topics. These collaborations promote the exchange of knowledge, research, and development of innovative solutions for the sugar-alcohol sector.

Nardini is proud to be playing a key role in the economic development of the Aporé-GO region.

Ethical and transparent relationships

[3-3 | 201-4 | 205-1 | 205-2 | 205-3 | 206-1 | 207-1 | 207-2 | 207-3]

Our ethical, tax and governance approach are aligned with our company’s business and sustainable development strategies. We focus on mitigating risks and maximizing opportunities to add value in the calculation and payment of taxes, a critical issue for the success and continuity of our business, due to the high complexity of the Brazilian tax system.

In this harvest, about 39 million reais were allocated to the payment of tributes, including taxes and fees.

We are guided by the search for maximum safety and efficiency in the process of calculation and payment of taxes, intelligently balancing the interests of the company, its partners, employees, and community.

The tax management meets monthly with the directors at the Tax Committee. In these meetings, the main items of analysis are discussed, such as risks, opportunities, and regulatory issues. The most relevant fiscal and tax strategies are approved in this forum, and any demands are directed to the Committees and Management Council, organized by Corporate Governance.

In this sense, we receive financial support from the government through different programs and tax benefits, both at the state and federal levels. We use benefits such as REINTEGRA, REIDI, Lei do Bem and Accelerated Depreciation Encouraged in Rural Activity. In addition, we make deductible donations in the calculation of Income Tax and Social Contribution on Net Income, destined to the Fund for Children and Adolescents, Fund for the Elderly and Law of Incentive to Culture, the latter through the Art Everywhere Project.

In 2023, with the entry into production of our unit located in the municipality of Aporé, we will be able to use the ICMS tax benefit of the PRODUCE Program of the State of Goiás. This benefit represents another

opportunity to optimize our operations and reinforce our commitment to the economic development of the region.

With these benefits, we can obtain a greater financial capacity to invest in the expansion of the new unit in Aporé-GO and to support social actions and technological development. The adoption of efficient fiscal measures also strengthens competitiveness in the sugar-energy market, stimulating its growth and contributing to the development and economic growth of the sector.

Our operation is guided by responsibility, transparency and constant search for solutions that contribute to the sustainable growth of the company, maintaining compliance with legislation and aligning with our corporate values.

Corporate governance is an essential pillar for us, ensuring an ethical, sustainable, and efficient performance in all areas of the business, including fiscal and tax management.

We are based on transparency, efficient communication, and accountability in relation to the fiscal and tax aspects of the company. In this way, we can make informed decisions, reduce risks, and ensure sound fiscal management, in accordance with current rules and regulations.

To ensure effective governance, we also have operational meetings, such as committees and discussion groups, led by the managers of the strategic departments, together with the board. The most relevant matters are submitted to Corporate Governance, composed of three Executive Committees managed by external directors: CFAR (Finance, Audit and Risk Committee); CEAI (Agroindustrial Efficiency and Innovation Committee) and CG&G (People and Management Committee). The executive board is present at all meetings, ensuring senior management are involved in strategic decisions.

In addition, we are actively engaged in tax study groups focused on agribusiness, participating in meetings, study groups and benchmarking with other companies in the sector. This exchange of knowledge allows us to be up to date with the best practices in the market and make strategic decisions regarding tax management.

Our tax and tax team are constantly improving to achieve excellence in service, both to our internal customers and to external suppliers and partners. We prioritize good relationships with tax authorities at all hierarchical levels, which contributes to a relationship of trust and mutual respect.

To optimize our operations and ensure compliance with tax obligations, we use advanced digital tools. This allows us to maximize the quality and compliance of our ancillary tax obligations, as well as optimize tax management. As a result of our commitment to tax compliance, we achieved the maximum rating in the “Nos Conforme” Tax Compliance Incentive Program. This program aims to create an environment of mutual trust between the Department of Finance and Planning and São Paulo taxpayers, reinforcing our commitment to transparency and ethics in our operations.

Our engagement with internal and external stakeholders is critical to ensuring that our tax operations are conducted responsibly, efficiently and in compliance with legislation. We always seek to maintain a proactive and collaborative posture, seeking dialogue and active participation in initiatives that promote the continuous improvement of tax management in our company.

We believe that only a solid and ethical management can in fact contribute to the strengthening of the sugar-energy sector of the country.

We maintain our strong commitment to fighting corruption. To ensure integrity and ethics in our operations, we constantly assess corruption-related risks. In this harvest we also have a specialized consultancy for the implementation and creation of new policies.

The Compliance, Internal Controls and business risk departments were created, distributing responsibilities more clearly and deepening the treatment with aspects related to compliance.

Following previous harvests, we had no reports of corruption in our Ethics Channel. Our organizational culture remains transparent and honest, and we remain committed to improving our consolidation.

To strengthen our anti-corruption position, we are in the final stages of developing our Anti-Corruption Policy. This policy will be a fundamental pillar in the conduct of our business, establishing clear and strict guidelines to prevent and combat any illegal practice.

Our anti-corruption strategy includes comprehensive communication and ongoing training of all our employees regarding our policies and procedures.

Our Code of Ethics and Conduct explicitly addresses the issue of combating corruption, we conduct training for 100% of our staff with the delivery of the Code of Ethics. All our employees sign the code of conduct at the time of signing the contract and participate in an integration where they know in detail our policies and procedures.

To ensure impartiality and effectiveness in our anti-corruption efforts, we have a 5-member Ethics Committee. In addition, we are in the process of implementing all pillars of Compliance, having an appointed Compliance Officer, who will be responsible for ensuring compliance with our policies and guidelines.

Our commitment to keeping a company free of corruption is total, and to date we have had no cases or prosecutions associated with unfair competition, trust, and monopoly. Should situations arise that require action, we are ready to act immediately and assertively, using appropriate measures to ensure transparency and legality in our operations.





SOCIAL

People

[3-3 | 2-7 | 2-8 | 202-1 | 401-1 | 401-3 | 402-1 | 405-1 | 405-2]

People are the Value that drives Nardini

At Nardini, we are fully aware that our employees are the company’s fundamental base. It is their ideas, skills, and dedication that drive our operations, innovations, and achievements. Behind each achievement, there is a committed team that works tirelessly to make Nardini a reference in sustainability and social responsibility.

In our staff we prioritize equal opportunities and growth for all. We believe that an environment with people from different backgrounds, experiences, and perspectives enriches our corporate culture and encourages innovation.

Total number of permanent, full-time employees, by gender, divided between seasonal workers* and full-time employees**

GENDER	FULL-TIME	SEASONAL	TOTAL
Women	180	64	244
Men	1,594	559	2,153
TOTAL	1,774	623	2,397

*Workers hired to meet specific demands.
**Today in our workforce, in all activities related to production, we do not have outsourced workers, with the only exception being in the cafeteria (meal supply service).

As with any organization, we experience natural fluctuations in our workforce. In times of growth, we seek to attract new talents to meet growing demands. Our selection process is guided by merit, competence, and adherence to the company’s values.

When it comes to layoffs, we value fair and transparent processes. When necessary, we offer support and guidance to employees that need to end their cycle with us, seeking to minimize negative impacts and provide an adequate transition.

New hires and employee turnover

	TOTAL NEW HIRES		TOTAL DISMISSED		TURNOVER	
	F	M	F	M	F	M
Up to 30 years old	89	647	27	258	44%	47%
30 to 50 years old	103	839	30	337	31%	32%
Over 50 years old	25	322	9	128	22%	30%
TOTAL	217	1,808	66	723	33%	36%
TOTAL	2,025		789		35%	

Paternal and maternity leave are respected and encouraged in our company. We recognize the importance of these special moments in the lives of our employees and make sure that they can enjoy this period with peace of mind and safety, without professional worries.

Maternal/paternity leave

CATEGORY	MATERNAL LEAVE	PATERNAL LEAVE
Number of employees entitled to leave	5	56
Number of employees who went on leave	5	56
Number of employees who returned at the end of leave	3	47
Number of employees who returned at the end of leave and remained company 12 months after the end of leave	3	47
Return rate of employees who returned to work after the end of leave (%)	66%	83%
Return rate of employees who returned to work after the end of leave and remained in the company 12 months after the end of leave (%)	66%	83%

Our commitment to the well-being, diversity, and appreciation of our employees is a constant priority. We will continue to invest in practices and policies that promote a healthy, inclusive, and stimulating work environment, strengthening ties with our teams and propelling Nardini’s sustainable growth.

Diversity in governance bodies and employees

	30 YEARS OLD	31 TO 50 YEARS OLD	OVER 50 YEARS OLD	TOTAL
ADMINISTRATIVE	60	128	60	248
Women	16	38	12	66
Men	44	90	48	182
AGRICULTURAL	309	919	430	1.658
Women	22	84	34	140
Men	287	835	396	1,518
AUTOMOTIVE	83	240	32	355
Women	0	3	0	3
Men	83	237	32	352
INDUSTRY	152	175	41	368
Women	16	16	2	34
Men	136	159	39	334
TOTAL	604	1.462	563	2.629

Proportion between base salary and total pay received by women and those received by men,

	UP TO 30 YEARS OLD		FROM 31 TO 50 YEARS OLD		ABOVE 50 YEARS OLD		TOTAL AVERAGE BASE SALARY	TOTAL AVERAGE PAY
Sectors	Average BASE SALARY	Average PAY	Average BASE SALARY	Average PAY	Average BASE SALARY	Average PAY		
ADMINISTRATIVE	R\$ 2,481.39	R\$ 2,924.78	R\$ 5,503.58	R\$ 6,052.85	R\$ 9,034.39	R\$ 9,868.28	R\$ 5,626.63	R\$ 6,219.15
Women	R\$ 2,761.55	R\$ 2,815.58	R\$ 4,745.21	R\$ 4,872.62	R\$ 4,687.76	R\$ 4,940.52	R\$ 4,253.88	R\$ 4,386.29
Men	R\$ 2,379.52	R\$ 2,964.49	R\$ 5,823.79	R\$ 6,551.17	R\$ 10,121.04	R\$ 11,100.22	R\$ 6,124.45	R\$ 6,883.81
AGRICULTURAL	R\$ 1,903.12	R\$ 2,804.65	R\$ 2,256.97	R\$ 3,470.92	R\$ 2,240.21	R\$ 3,222.16	R\$ 2,186.68	R\$ 3,282.23
Women	R\$ 1,735.59	R\$ 1,965.58	R\$ 1,633.54	R\$ 2,171.68	R\$ 1,444.23	R\$ 1,588.02	R\$ 1,603.60	R\$ 1,997.55
Men	R\$ 1,915.96	R\$ 2,868.97	R\$ 2,319.69	R\$ 3,601.62	R\$ 2,308.55	R\$ 3,362.46	R\$ 2,240.45	R\$ 3,400.71
AUTOMOTIVE	R\$ 2,395.86	R\$ 3,652.12	R\$ 3,028.47	R\$ 4,964.12	R\$ 3,944.55	R\$ 5,842.94	R\$ 2,963.14	R\$ 4,736.59
Women			R\$ 2,050.73	R\$ 2,817.49			R\$ 2,050.73	R\$ 2,817.49
Men	R\$ 2,395.86	R\$ 3,652.12	R\$ 3,040.85	R\$ 4,991.29	R\$ 3,944.55	R\$ 5,842.94	R\$ 2,970.92	R\$ 4,752.95
INDUSTRY	R\$ 2,134.94	R\$ 2,867.17	R\$ 3,546.94	R\$ 5,156.08	R\$ 4,983.37	R\$ 6,511.45	R\$ 3,123.76	R\$ 4,361.67
Women	R\$ 2,114.51	R\$ 2,555.41	R\$ 2,390.84	R\$ 3,264.02	R\$ 2,729.90	R\$ 3,992.22	R\$ 2,280.74	R\$ 2,973.39
Men	R\$ 2,137.35	R\$ 2,903.85	R\$ 3,663.28	R\$ 5,346.48	R\$ 5,098.94	R\$ 6,640.64	R\$ 3,209.58	R\$ 4,502.99
Total	R\$ 2,086.61	R\$ 2,948.77	R\$ 2,822.28	R\$ 4,143.80	R\$ 3,260.92	R\$ 4,318.95	R\$ 2,747.20	R\$ 3,906.76

We value our employees and invest in the Remuneration and Career sectors to ensure a positive and productive work environment. We carry out salary research in conjunction with the market to constantly assess the competitiveness of our remuneration. Our base salaries are not linked to the national minimum wage, allowing us to offer a more attractive remuneration, aligned with the performance and profile of each employee, ensuring fair rewards in line with market trends and salary standards.

Human Rights

[3-3 | 407-1 | 408-1 | 409-1 | 411-1]

Our commitment to Human Rights and Original Peoples is intrinsic to Nardini, permeating all our activities and commercial relationships

At Nardini, we believe that respecting human rights is essential to build a sustainable and socially responsible company. We prioritize the right of our workers to freely exercise their freedom of association and participate in collective negotiations, recognizing the importance of trade unions in defending their interests and promoting a fair and harmonious work environment.

Furthermore, our commitment extends to the protection of children and adolescents, prohibiting any child labor practices in our operations and supply chain. We strictly comply with the laws, including the Child and Adolescent Statute, ensuring that our youngest employees are protected and have learning opportunities within legal parameters.

In relation to forced or compulsory labor, we reaffirm our uncompromising stance to ensure that all people involved in our activities are treated with dignity and respect. We demand compliance with labor standards from our suppliers and carry out constant inspections to avoid any form of coercion or labor exploitation.

The preservation of human, cultural and environmental rights is an essential pillar in all our operations. Although our activities are in areas without records of indigenous peoples, we maintain a vigilant stance and regularly consult FUNAI (National Foundation of indigenous People) records and local authorities to ensure that there are no violations or negative impacts on traditional communities.

We seek open and collaborative dialogue with local communities, respecting their traditions and needs, striving to contribute positively to the sustainable and inclusive development of the regions where we operate.



Focus on Health and Wellbeing

[3-3 | 201-3 | 401-2 | 401-3]

The physical and mental well-being of our employees is an unquestionable priority. We foster a healthy and safe environment, where everyone feels protected and supported. Workplace safety measures, quality of life programs, and health benefits are some of the ways in which we care for those who are a part of the Nardini family.

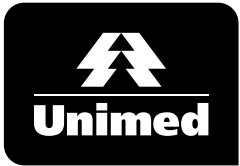
That is why Nardini has many benefits for employees:

- **Health Insurance (State and Local) ***,
- **Dental Plan,**
- **Drugstore Insurance,**
- **Life Insurance,**
- **Transportation,**
- **Cafeteria on site,**
- **Scholarships,**
- **Payroll loan,**
- **Food vouchers**
- **Psychological assistance program for employees.**

*Nardini offers employees the option of health insurance, which can be subscribed to or not. In addition, it subsidizes 50% of consultations and exams through the payroll.

HEALTH INSURANCE

Consultations and Exames (for employees that do not have full insurance). For consultations, the employee or dependent must go through a Medical Clinic to get a medical request, so they can go to a specialist doctor through Unimed Monte Alto and Santa Casa Monte Alto.



FOOD VOUCHERS

Nardini offers the Alelo Food Voucher Card to all its employees. The amount is credited monthly every 10th.

DRUGSTORE INSURANCE

With the Golden Farma Card, the employees and legal dependents can enjoy discounts at partner pharmacies. Medication will ONLY be sold upon presentation of the virtual card (app), which can be obtained through the Golden Farma app.



DENTAL PLAN

Nardini offers the option of dental insurance to employees, and they can subscribe to it or not. The employee can acquire the insurance from the first to the fifth day of the intake month and, if intake happens outside of those days, it can be done in the subsequent month. Legal dependents - spouse and kids - can be added to the insurance.



We also count on an equipped Occupational Medic Outpatient Clinic and a team of qualified professionals for assistance services, composed of one occupational doctor, one nurse technician, one occupational nurse, one physical therapist, one administrative assistant, and one ambulance driver. The clinic is equipped to carry out exams and audiometry, in addition to having two ambulances for transport, if necessary.

We currently do not have any specific private pension programs or retirement funds. However, we reinforce our commitment to the well-being of our employees by offering support and guidance so they can appropriately plan their retirement. Through a retirement guidance program, we provide important information about available options and alternatives, such as rules of the public retirement system, contributions to the INSS (public retirement plan), and private pension plans. We believe that empowering our employees with knowledge allows them to make conscious and safe decisions for their financial future.



Safety First

[3-3 | 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-8 | 403-9 | 403-10]

Nardini Agroindústria remains committed to ensuring the safety and well-being of our employees, maintaining a focus on continuous improvement and strengthening of our safety culture.

Nardini is committed to ensuring the health and safety of all our employees. Based on the widely recognized ISO 14.001 and 45.001 guidelines, we implemented the Health, Safety, and Environmental Management System(SSMA) in all areas of the company – industrial, administrative, automotive, and agricultural. We have the support of a specialized consultancy that helps us in this process, ensuring an efficient and comprehensive implementation.

In our third year of the Safety is Life project, the results are remarkable: we achieved a significant reduction of 54% in accidents with leave during the 2022/2023 harvest, highlighting the positive impact of implemented actions.

At Nardini, we adopt the guidelines established in NR 16, a regulatory standard of Dangerous Activities and Operations, to identify and assess risk-generating agents. We have the expertise of an Occupational Safety Engineer, who establishes the risk framework in these areas.

To mitigate the identified risks, we implement control measures, in accordance with regulatory requirements, covering equipment, structures and procedures. Furthermore, we promote regulatory training, such as NR 10, NR 20 and NR 33, to ensure adequate training of workers in these specific areas.

The maintenance of these control measures is permanent, and teamwork is reinforced through monthly meetings of CIPA/CIPATR and emergency brigades, as well as the Daily Security Dialogue and the Nardini Ombudsman.

We have established the “Golden Rules”, six fundamental principles that serve as limits to ensure the safety of our employees. The adoption of these rules is linked to a policy of consequences, to highlight the importance of complying with these standards and individual and collective responsibility.



GOLDEN RULES

1

EVERY ACCIDENT MUST BE COMMUNICATED
The whole workforce must recognize and fulfill procedures for accident communication, regardless of the urgency or type of the accident, and all third-party companies must formally commit to fulfill the aforementioned procedure with efficiency.

2

WEARING PPES IS MANDATORY TO FULFILL ANY DAILY ACTIVITIES THAT REQUIRE IT
PPE wearing is mandatory in all activities that present risks to health and physical integrity of the employee, as designed for each activity. Aside from mandatory isolation of the area in the case of lifting, moving of cargo, or maintenance that may bring risks to people's physical integrity. Activities that need to have a Work Permission - PT can only be initiated by properly trained employees, according to established procedure.

3

SECURITY DEVICES IN MACHINES, EQUIPMENT, AND VEHICLES CANNOT BE TURNED OFF, MOVED, OR ALTERED
Machines, equipment, and vehicles must be taken away when one or more security/monitoring device (either related to the process or to people) is damaged. The maintenance team must ensure an adequate maintenance plan or immediate replacement in case of failure.

4

INTERVENTIONS AND ACCESS TO ELECTRIC PANELS CAN ONLY BE DONE BY CAPABLE, TRAINED, AND AUTHORIZED PEOPLE
Intervention of electric panels expose people to the risk of electric shock. An employee that is not capable, trained, or authorized cannot access electric panels for any purpose.

5

ACCESS TO CONFINED ENVIRONMENTS CAN ONLY BE DONE BY CAPABLE PEOPLE OR A GUARD, AS LONG AS THEY HAVE THE CORRECT PERMISSIONS (PTE/PTS)
Safety Norms for activities done in confined environments determines that activity in these environments can only be done by trained and authorized professionals, together with a guard, and with a Work Permission - PTS and PTE issued by the entry supervisor.

6

IT IS PROHIBITED TO DRIVE VEHICLES WHILE ON THE PHONE OR WITHOUT A SEATBELT, AND THE SPEED LIMIT MUST BE RESPECTED, WITHOUT TRESPASSING
It is mandatory to use the seatbelt in all vehicles and agricultural machines, as well as the use of a helmet when using a motorcycle/quadracycle. The use of a cellphone while driving any vehicle is expressly prohibited, as well as trespassing lanes. Driving forklifts, PTAs, rear actors, Munck trucks/canes is expressly prohibited if the driver does not have the training or authorization.

**DISCIPLINARY MEASURES APPLIED FOR NON-COMPLIANCE WITH ANY RULE**

FIRST OCCURRENCE Written warning	THIRD OCCURRENCE 3 (three) day suspension
SECOND OCCURRENCE 1 (one) day suspension	FOURTH OCCURRENCE Immediate just cause termination

¹ Although we have a health and safety system in place, we still do not have a formal record of the employees covered by it. This is an area we are looking to improve and properly document in the future.

Taking care of the health of our employees is a priority.

In addition, we offer health insurance to those who choose it, and reimbursement of consultations and examinations to ensure broad access to health. In situations related to work accidents, we have medical agreements with low, medium, and high complexity hospitals, ensuring immediate and adequate care for our employees.

We are constantly analyzing opportunities to implement the Population Health Program, which aims to promote the health of employees in a comprehensive and preventive way.

To ensure the prevention and mitigation of impacts on health and safety at work, we carry out an Environmental Assessment Report, maintain the PCMSO (Program for Medical Control of Occupational Health) and the Ergonomic Analysis of Work. In addition, we have implemented the PGRTR (Rural Worker Risk Management Program) and the PGR (Risk Management Program), aiming at the safety and well-being of our employees.

Nardini values the active participation of workers in relation to health and safety at work.

We promote processes that allow the contribution of employees in the development, implementation, and evaluation of the HSE Management System. Monthly meetings of CIPA, CIPATR and industrial and automotive emergency brigades are some of the instances in which workers are heard and can offer their contributions.

In addition, we provide access to relevant health and safety information through the Daily HSE Dialogue, the minutes of monthly meetings, and other communication mechanisms.

The training and qualifications of our employees in health and safety are fundamental to ensuring a safe and healthy work environment. We conduct normative training:

- **NR 01 - Integration of the worker (newly hired).**
 - **NR 05 - CIPA of all members elected and appointed annually.**
 - **NR 06 - Personal Protective Equipment (to all those who during their activity need to use personal protective equipment).**
 - **NR 10 - (electricians and instrumentalists) according to the normative schedule.**
 - **NR 11 - to all who use cranes, forklifts, cranes, manual handling of loads).**
 - **NR 12 - Machinery and equipment of the production process.**
 - **NR 13 - Pressure Vessels and Process Unit.**
- **NR 20 - Training according to each assignment and level of intervention in the ethanol production process.**
 - **NR 23 - Basic information about fire-fighting systems.**
 - **NR 26 - Handling of chemicals;**
 - **NR 31 - Normative training for activities related to agriculture (herbicide application, CIPRESS members, machine operation, cargo handling).**
 - **NR 33 - Work in confined space.**
 - **NR 34 - Hot work, use of PTA.**
 - **NR 35 - Work at height.**
 - **Training without normative basis: Risk perception.**



In addition to the normative training, we promote the Daily Safety Dialogue (DDS) and risk perception training to raise awareness and engage employees in the prevention of accidents.

Daily Security Dialog (DDS)

The Daily Safety Dialogue is an essential tool in promoting a culture of safety and accident prevention. At Nardini, we value DDS as an important moment of interaction and learning between employees and their leaders. Daily, before the beginning of the activities, we hold this meeting to address various issues related to safety at work.

This initiative aims to raise awareness and engage all team members regarding the risks existing in the work environment and the preventive measures to be adopted. The topics covered in the DDS are varied and range from the proper use of personal protective equipment (PPE) to good ergonomic practices and prevention of specific accidents.

During the Daily Safety Dialogue, employees can share their experiences and suggestions, becoming active agents in identifying potential risks and finding solutions.

This year we addressed some very important topics, such as:



Hand care

Did you know that last harvest we had 31 occurrences involving accidents with the hands?

Of all the practices essential to Occupational Safety, perhaps hand protection is one of the most important. This is because this is one of the most important parts of the body for our day to day, not only for work.

Chemical Handling Care

We find chemicals everywhere. Their characteristics can vary by concentrations, types, reaction, etc., all of which are dangerous.

There are several chemicals, and they can react with each other to form new compounds, which can be even more harmful than the originals.

Many accidents happen with chemicals, including in homes.



Training Generates Engagement

[3-3 | 404-1 | 404-2 | 404-3 | 410-1]

At Nardini Agroindústria, we constantly invest in training and programs to improve the skills of our employees. We believe in continuous development and offer assistance for career transition, supporting our employees in their professional trajectories.

In addition, we promote regular performance evaluations and career development for 100% of our employees, to ensure that they are constantly growing and aligned with their professional goals. Regarding safety, our people are trained in human rights policies and procedures, reinforcing our commitment to a safe and respectful work environment for all.

Nardini’s Code of Ethics and Conduct specifically addresses the topic of Human Rights, and since 2019, we have promoted the training of 100% of our workforce, ensuring that everyone is aware of and committed to the established principles. From the moment of signing the contract, all employees receive the Code of Conduct and go through an integration process, in which they learn the policies and procedures of the various areas of the company.

In this way, we ensure that everyone is engaged in cultivating a respectful and ethical work environment where the rights of all are protected and valued.

Some of the training we offer to our employees.

PLANNING FOR THE FUTURE

We are in the fourth year of this Program, focused on preparing future retirees. It is offered to employees who are in the period of retirement, are in the process of retirement and for those younger who would like to plan for this moment.

EXECUTIVE COACHING

Program developed through external consulting that aims to improve the employee at the managerial and board level in the processes of business management and workforce management, in addition to helping them develop self-knowledge. This program brings cutting-edge market practices into the company.

EDUCATIONAL AID

Training program, technical or linguistic improvement offered through university training or technical schools, where the company reimburses 50% of the tuition fees, limited to 850 reais.

TRAINING PROGRAM

Internal training program through probationary internship that aims at the technical training of the employee before taking on a new function or leaving employees prepared for future functions, this program may vary from 30 to 90 days.

INTERNSHIP

The company offers university and technical internship programs for the community at large and for employees who want to improve in their current position or develop a new competency and prepare for future opportunities.

AGRO LEADER PROGRAM

Leadership development program up to the supervisory level composed of four modules being: two behavioral / one module of Policies and practices of people management / one module of Occupational Safety and Health.



404-1: Training and education hours per year, per employee

NUMBER FEMALE EMPLOYEES	265
NUMBER MALE EMPLOYEES	2,450
TOTAL EMPLOYEES	2.715

	M	F
NUMBER OF EMPLOYEES IN ADMINISTRATION	130	84
NUMBER OF EMPLOYEES IN MANAGEMENT	170	6
NUMBER OF EMPLOYEES IN OPERATION	2,150	175
TOTAL EMPLOYEES	2.715	

NUMBER OF HOURS OF TRAINING - FEMALE	7,614.50
NUMBER OF HOURS OF TRAINING - MALE	102,382.00
TOTAL HOURS TRAINED	109,996.50

AVERAGE HOURS TRAINED BY GENDER

28.7

41.8

AVERAGE HOURS TRAINED BY ROLE

	M	F	M	F
NUMBER OF HOURS TRAINED ADMINISTRATION	6,117.50	2,562.00	47.1	30.5
NUMBER OF HOURS TRAINED MANAGEMENT	12,968.50	114.50	76.3	19.1
NUMBER OF HOURS TRAINED OPERATION	83,296.00	4,938.00	38.7	28.2
TOTAL HOURS TRAINED	109,996.50			

Agreements and Negotiations

[3-3 | 2-30 | 402-1]

We consider it essential to maintain a fair and harmonious work environment, where all our employees are valued and have their interests protected. Our employees are covered by collective bargaining, regardless of their income or membership in the representative union. We believe that dialogue and active participation are fundamental to promoting a healthy and sustainable work environment.

Although legally there are no deadlines established in our collective agreements for any type of operational changes, our approach is guided by responsibility and respect for our employees. Whenever there are significant changes in our operations, they are implemented strategically and gradually.

Our community

[3-3 | 413-1 | 413-2 | 414-1 | 416-1 | 417-1 | 417-3 | 418-1]

At Nardini, even without formal metrics, we are dedicated to establishing a strong connection with the local community through various programs and initiatives. We seek to promote local development and social inclusion, opening our employment opportunities to all, without discrimination.

SELECTION PROCESS

It is open to the entire community, our vacancy disclosures are increasingly inclusive, and job fairs bring the community and the company closer, facilitating the delivery of resumes and interviews conducted in the city. Where the assessment is based on the competence of each candidate. Where more than 95% of our contractors are residents in the region of influence of our units.

APPRENTICE PROGRAM

The program aims to provide a door to qualification for internal use to young people who reside in the cities covered by the plant, or to give subsidies to improve the employability of young people. Currently the program serves 79 young people in courses in management and automotive mechanics.

PIN PROGRAM

Program focused on the inclusion of Women; 50+; LGBTQI+ and People with Disabilities (PWD). We are currently working on the first pillar of the program - Inclusion of PWDs. Internal sensitizations were carried out with the collaborators aiming at the diffusion of the program.

WARMING LIVES PROGRAM

This year the campaign took place in the two Nardini units, in Aporé and Vista Alegre do Alto. The clothing donations were destined for social causes, contributing to warming up the winter of many families who are struggling.

COURSES FOR THE COMMUNITY

Offered annually, the courses range from crafts to preparation and food manufacturing. We work together with Senar in this partnership.

DONATION POLICIES

The company has a policy of donations in cash and/or products and services. In 2022, 350,000 were donated to various institutes and cities. Ex: Funds for the rights of children and adolescents of the municipality of Aporé-GO / Municipal fund for the elderly of the municipality of Catanduva-SP / Art Project in Aporé-GO.

ETHICS CHANNEL

Widely disseminated internally and externally.

We value the well-being of local communities and have not identified significant negative impacts on our operations. Our activities are guided by respect for the environment and people. We value transparency and ethics in all our actions, which contributes to a harmonious relationship with neighboring communities. We keep an attentive and proactive eye to ensure that our operations do not generate unwanted or harmful impacts for communities, always seeking continuous improvement and sustainable development in our area of operation.

We highlight the commitment to suppliers and their social obligations as prerequisites for signing contracts. For suppliers of raw materials, services, and inputs, we require compliance with the Land Statute, Environmental Legislation, the Child and Adolescent Statute, and other applicable laws.

In addition, all the company's products are ISO 9001 certified and crystal sugar is FSSC 22000 food safety certified. In addition, we maintain the Bonsucro certification, which guarantees sustainable practices and the assessment of health and safety impacts. The necessary information is described in quality certificates issued for products that do not require labelling.

Click here to learn about our certifications

For the products that need it, the labeling meets regulatory requirements and is adjusted according to the requirements of international customers. We have no records of non-compliance with laws or voluntary codes, and we reinforce our attention to legislation prior to any disclosure.

In the reporting period, no privacy violations or data loss were reported by customers or regulatory bodies, demonstrating our commitment to the protection of information and respect for current regulations.





7

THE ENVIRONMENT

**With each harvest,
we implement
sustainable
practices and
find new ways to
reduce our impact
on the planet**

Another harvest year concluded and once again we are sure that our efforts to continue strategically inserting the environmental theme, with real awareness of our role, were essential for the success of this period.

In our daily lives we seek to act in a way that goes far beyond compliance with legal requirements. As will be evidenced in the following items, we are concerned about how environmental aspects may be impacted by our activities and operations and it is based on this that we structure our projects, initiatives, and practices.

Thus, we plan on always being on the right track to maintain the balance and promote improvements in the environment in which we are inserted.

Environmental Management

[3-3]

To guide us on this journey, we maintain our Environmental Management Plan, which reflects everything we want to achieve as a sustainable company, in addition to considering all the legal aspects that must be met by us. It is through it that we can structure the management and monitoring tools of the most relevant environmental aspects for our activity. In addition to maintaining compliance with environmental legislation, we can evaluate our performance through the analysis of specific indicators and the monitoring of goals, which aim not only to preserve the environment, but also to reduce direct and indirect costs.




Biodiversity and Ecosystem Services

- Wildlife Monitoring Program
- Native Flora Monitoring Program
- Reforested Areas Monitoring and Restoration Program
- Nouse Management




Soil Preservation

- Vinasse Application Plan
- Soil Preparation and Planning
- Artificial Fertilizer Reduction Program
- Program for Combating Fires of Unknown Origin



Water Resources Management

- Surface Water Monitoring Program
- Underground Water Monitoring Program



Energy

- Energy Efficiency Program




Atmospheric Emissions

- Chimney Atmospheric Emissions Monitoring Program
- Diesel Consumption Monitoring
- Eco-Air Program



Solid Waste and Effluent Management

- Sold Waste Management Program
- Effluent Management Program



Inputs and Chemicals

- Phytosanitary Waste Reduction Program
- Chemical Reduction Program

None of this would be possible if we did not have a qualified team committed to executing the best practices.

In addition, we also have software that helps us keep track of each program, including the legal environmental requirements applicable to our operations.

Material Consumption: Increasingly conscious and optimized

[301-1 | 301-3]

When it comes to materials consumed in our operations, we can classify them in different categories: sugarcane, agricultural inputs, industrial inputs, and fuels.

The data shows we are growing again in our sugarcane processing rate, both in terms of our own sugarcane, as sugarcane from third parties. This growth was of 14%. In terms of agricultural inputs, we have reached the lowest usage rate since 2019/2020. Following the trend, this year we had the lowest rates of materials coming from nonrenewable sources.

301-1: Materials used by weight or volume

MATERIAL	20/21 (T)	21/22 (T)	22/23 (T)
SUGAR CANE			
Our own processed sugarcane	2,306,455.34	1,978,193.44	2,316,522.55
Third-party sugarcane	2,006,657.72	1,531,922.82	1,694,847.92
SUBTOTAL	4,313,113.06	3,510,116.26	4,011,370.47
AGRICULTURAL INPUTS			
Corretivos	24,694.08	21,985.74	30,100.55
Insecticides	14.78	21.04	25.37
Fungicides	0.75	0.59	2.41
Herbicides	117.91	202.52	207.72
Fertilizers	13,674.7	15,878.97	9,431.13
Other organic fertilizers	80,061.44	70,985.81	59,098.22
SUB TOTAL	118,563.67	109,074.67	98,865.40
INDUSTRIAL INPUTS			
Lime	3,835.00	2,755.82	3,537.27
Sulphuric Acid	1010.712	805.62	995.12
Chloridric Acid	356.03	186.08	248.07
Soda	566.83	276.83	387.87
Antibiotics	0.05	3.60	0.00
Inorganic Chemicals	1,457.24	706.57	1,059.68
Organic Chemicals	34.84	36.02	47.55
SUBTOTAL	7,333.11	4,770.54	6,275.56
FUELS			
Diesel	15,060.32	12,989.95	14,349.62
Ethanol	406.22	420.80	408.69
Subtotal	15,466.54	13,410.75	14,349.62
TOTAL	4,454,476.38	3,637,372.22	4,131,269.74
Materials from renewable sources	4.313.519,28	3.510.537,06	4,011,779.16
Materials from nonrenewable sources	140,957.10	126,835.16	119,490.58

Still focusing on reducing consumption of materials, this year we have maintained a large percentage of returnable packaging for big bags of crystal sugar.

The Energy that moves us

[302-1 | 302-2 | 302-3]

One of the great differences of the sugar-energy sector in the context of sustainable development is the possibility of exporting renewable electricity for the national grid, and the adoption of energy efficiency measures in operations. With this in mind, we want to be a part of this, and we rely on CEN (Nardini Energy Company), which produces energy from burning sugarcane bagasse. This way, we use the energy produced in our operations, and all surplus is sold to the local utility.

In this 2022/2023 crop year we provided a total of 112,715 MW. This value is in fact lower than that reached in the last year. However, this does not invalidate our efforts to manage the energy efficiency of our operations. We continue to seek to reduce domestic consumption and increase the availability of surplus energy.

This result reflects the increase in energy consumption, which is due to the considerable increase in the volume of sugarcane processed in 2022/2023.

302-1: Energy consumption within the organization

DESCRIPTION	UNIT (GJ)			
	HARVEST 19/20	HARVEST 20/21	HARVEST 21/22	HARVEST 22/23
(A) Total consumption of fuels from non-renewable sources	626,500	664,140	573,385	633,456
(B) Total consumption of fuels from renewable sources	4,237,243	4,180,361	3,495,966	4,107,625
(C) Electricity, heating, cooling, and steam purchased for consumption	8,521	6,878	7,148	8,848
(D) Self-generated electricity, heating, cooling, and steam	4,225,749	4,169,413	3,484,625	4,096,611
(E) Electricity, heating, cooling, and steam sold	532,345	568,727	519,616	405,773
Total energy consumption within the organization (A+B+C)	4,872,264	4,851,379	4,076,499	4,749,929
		0.43%	15.97%	-16.52%

Item D - Coming from bagasse. It is Item B (total renewable fuel consumption minus ethanol).

Item E - Coming from bagasse.

Total consumption includes items A+B+C.



302-3: Energy Intensity

ENERGY INTENSITY - HARVEST YEAR 2022/2023	
CANE MILLING (TON)	4,011,370.470

NON-RENEWABLE ENERGY SOURCE	CONSUMPTION (SPECIFIC UNIT)	CONSUMPTION (GJ)	ENERGY INTENSITY (GJ/TC*)
Diesel (L)	17,144,108	630,829	0.16
Petrol (L)	9,966	302	
LPG (kg)	47,274	2,326	
SUBTOTAL	17,201,348	633,457	

RENEWABLE ENERGY SOURCE	CONSUMPTION (SPECIFIC UNIT)	CONSUMPTION (GJ)	ENERGY INTENSITY (GJ/TC*)
Ethanol (L)	503,928	11,014	1.02
Biomass (Kg)	559,119,275	4,096,611	
SUBTOTAL	559,623,203	4,107,625	

RENOVABIO PROGRAM

In February 2020 we were certified with 94.23% of eligible area for the program and obtained the following NEEA (Environmental Energy Efficiency Score - gCO₂eq/MJ):

63.9 for anhydrous ethanol

63.5 for hydrous ethanol

In January 2023 we received the recertification and this time with 98.32% of eligible area. We obtained the following NEEAs:

64.4 for anhydrous ethanol

64.1 for hydrous ethanol

RenovaBio is a public policy that aims to promote the expansion of biofuels in Brazil from more sustainable production models, stimulating the reduction of greenhouse gas (GHG) emissions, contributing to the fulfillment of the commitments assumed by the country at COP21.

What does that mean?

Our efficiency has been positively impacted by the more conscious and optimized use of inputs and by the choice of those that are in fact less harmful to the environment.

Water Resources

[3-3 | 303-1 | 303-2 | 303-3 | 303-4 | 303-5]

We know water resources are becoming more and more important in both international and national scenarios, due to the growing relevance of sustainable water management for the well-being of populations and development of countries. Due to being an essential resource for our activity, water plays a huge role in our efforts to achieve sustainability.

This resource enters our cycle starting from surface and underground water capture, of which our right to use is supported by ordinances and grants legally acquired and current. Our management starts from this moment and, from then on, we look for solutions to optimize and reduce daily consumption.

Check how this capture took place over the last three harvest years:

303-3: Total freshwater withdrawal from all areas in megaliters, and a breakdown of this total by the following sources

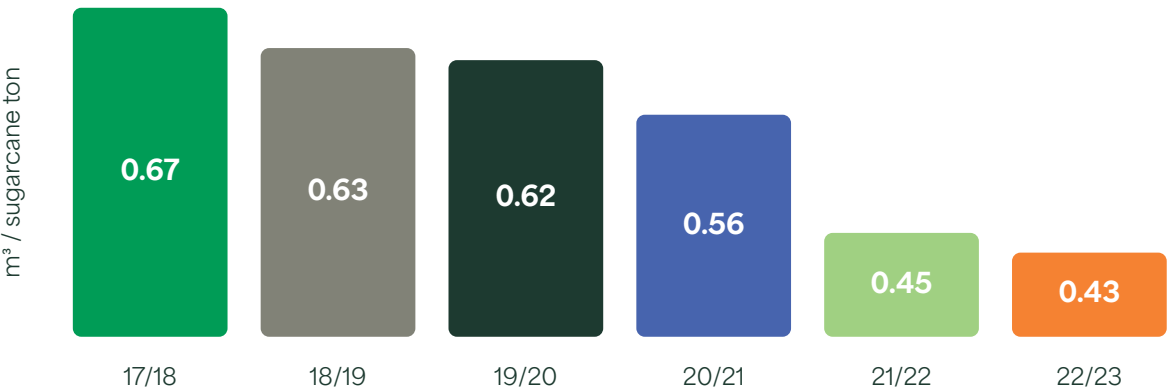
	2020/2021 HARVEST YEAR	2021/2022 HARVEST YEAR	2022/2023 HARVEST YEAR
Groundwater	1,868	1,204	1,873
Surface Water	1,194	806	970
TOTAL	3,062	2,010	2,843

Despite the apparent increase in the volume of captured water, these numbers are in line with the processed sugarcane in this harvest year. Therefore, we are proud to confirm that our consumption has been going down year after year. This is the result of a more efficient and improved operation.

Our monitoring programs and water management projects have proven to be fundamental tools to maintain decreasing numbers.

All effluent generated in the industry is reused in our production process, with a portion of 30m³/h being treated and returned to the industrial process and the excess wastewater applied to fertigation of sugarcane fields, meeting the emission standard established in CONAMA resolutionn° 430/2011.

SPECIFIC WATER CONSUMPTION OF NARDINI



Biodiversity

Our nature is to care for the environment so that people have confidence in the future.

[3-3 | 304-1 | 304-2 | 304-3 | 304-4]

We know our agricultural and industrial activities have the potential to cause impacts that affect the environmental dynamic of the places where we operate. With this in mind, we constantly monitor and control aspects of biodiversity in all areas and operations which we are a part of.

Permanent Preservation Areas (APPs) and Legal Reserves

We have registered in the Rural Environmental Registry (CAR) 100% of our own areas and approximately 98% of the others. All our APPs in our properties are respected and are, as necessary, in a gradual process of ecological restoration through natural regeneration and planting of seedlings of native species, aiming to improve ecological corridors, in addition to providing shelter and offering food to terrestrial fauna, birdlife, and aquatic tuna.

APPs and legal reserves are regularly inspected to assess the stage of natural regeneration and determine which areas require ecological restoration. Of the more than 1,120 hectares of conservation areas within the Bonsucro scope, approximately 1,100 hectares are in a medium to advanced stage of regeneration. In the remainder, at an initial stage, ecological restoring and monitoring are being carried out until the area shows signs of natural stabilization, creating favorable conditions to continue in its other successional stages.

In third-party areas, if ecological restoration is necessary, we encourage the process through guidance and donation of seedlings.

We do not own, lease, or manage any operating units within or adjacent to environmental protection areas.

The awareness we have gained over the years that economic growth brings with it great environmental and social responsibilities has come from understanding that the protection of natural resources is urgent and fundamental for the preservation of future generations and for the perpetuity of the business.

How do we monitor key aspects of biodiversity?

Always with a focus on protecting species and their habitats, today we can say that we go beyond assessing the conservation status of species and ecosystems.

We base our strategic planning on programs that aim to implement concrete conservation and recovery actions in areas of interest.

The environmental diagnosis of the area of direct influence of the project recorded that the areas subject to expansion have already been an-

thropized and consolidated for decades. When it comes to aspects related to the biotic environment, there are concerns when developingconservation programs for permanent preservation areas (APPs) and areas of protection of forest fragments.

It is also worth noting the great concern for fauna and flora through the implementation of Monitoring Programs that operate constantly in our areas.

The assessment of environmental impacts allowed us to identify significant issues regarding the occurrenceof negative impacts and to conclude that all of them can be mitigated through the implementation of preventive monitoring and/or compensatory measures. In specific situations, when there is a need to implement a monitoring plan, it is considered that the measures adopted will be efficient and sufficient to offer protection to the environment.

RPPN (Private Natural Heritage Reserve)

The creation of the Private Natural Heritage Reserve (RPPN) at Santa Luzia Farm, which is in the border between Nardini and the municipality of Santo Alto (SP), will positively impact the entire region of operation of the Vista Alegre do Alto locationbecause the area of approximately 14 hectares, which belongs to Nardini, is a very important historical and environmental point. Until the 1950s, the place housed an old railway line that crossed the region and, precisely because of this passage, the place was imploded, making room for the construction of the line. Today, after decades in which trains do not pass through there, there is a lush landscape amidst nature. There, projects, programs, and initiatives in favor of the environment and sustainability can be developed with the entire community in the region.

304-4 -ICUN Red List species and national conservation list species with habitats in areas affected by operations.

EXTINCTION RISK LEVELS	AVIFAUNA	MASTOFAUNA	HERPETOFAUNA	ICHTHYOFAUNA
Critically endangered	-	-	-	-
Threatened	31	14	3	1
Vulnerable	-	-	-	-
Almost threatened	16	8	-	1
Minimum concern	-	-	-	-
Lack of data	3	9	-	1
NOT INCLUDED	328	71	69	100
TOTAL	378	102	72	103



Climate changes and our commitment to increasingly produce sustainable solutions

[3-3 | 305-1 | 305-2 | 305-3 | 305-4 | 305-5 | 305-6]

When we think of climate change, we quickly realize how it has become increasingly present wherever we are. Its effects are notorious and bring us urgency and a sense of responsibility to understand how we are negatively contributing to them advancing and taking on greater proportions. More than understanding, it is necessary to act effectively and constantly to minimize impacts over time.

Our business, like many others, has aspects directly linked to atmospheric emissions and, consequently, climate change. We know how much issues of water stress and changes in rainfall directly impact agribusiness around the world. And this reality is no different for us here at Nardini.

Thinking about how we can minimize this issue and make our production less vulnerable and how to make the most of the opportunities that exist to reduce these impacts, we have taken an important step.

Since our last harvest (2021/2022), we began to develop the Greenhouse Gas Emissions (GHG) Inventory, in accordance with the determinations of the GHG Protocol and methodologies of the IPCC - Intergovernmental Panel on Climate Change.

Our numbers

First, it is important to understand that GHG emissions are categorized in 03 different groups, namely: scope 1 emissions, or those coming from sources owned and controlled by us; scope 2 emissions, which are also called indirect emissions; and scope 3 emissions, which refer to other sources over which we have no control.

In the 2022/2023 harvest, Scope 1 Emissions accounted for 98% of Nardini’s emissions, while 2% were emissions arising from the purchase of electricity (Scope 2).

TOTAL GREENHOUSE GAS EMISSIONS		
	2021/2022 HARVEST YEAR	2022/2023 HARVEST YEAR
Scope 1 Emissions	74,802.62 tCO ₂ eq	80,055.14 tCO ₂ eq
Scope 2 Emissions	234.19 tCO ₂ eq	1,412.06 tCO ₂ eq
TOTAL	75,036.82 tCO ₂ eq	81,467.20 tCO ₂ eq
Biogenic CO ₂ Emissions	1,602,590.28 tCO ₂	1,753,058.2073 tCO ₂

There was an increase in total emissions from the 2021/2022 harvest to this year’s. However, our intensity decreased, going from 0.0214 tCO₂e/ton of sugarcane in 2021/2022, to 0.0203 tCO₂e/ton of sugarcane this harvest. This represents a decrease of 6% in the intensity of emissions.

* These are not mandatory to report and, as a large part of Nardini’s operations are controlled by the company, it was decided not to report Scope 3 Emissions.

Keeping an eye on the transformation of the energy matrix

Nardini, as a company active in the sugarcane industry, understands its facilitating role as a generator of renewable energy. Since 1994, we have invested in energy cogeneration from sugarcane bagasse. In this harvest year alone, a surplus of 112,715 MW was produced.

And we do not stop there. In January 2023, we were recertified by the RenovaBio Program, which was created to promote the production of biofuels in Brazil. Our fuels had an increase in their environmental energy efficiency rating.

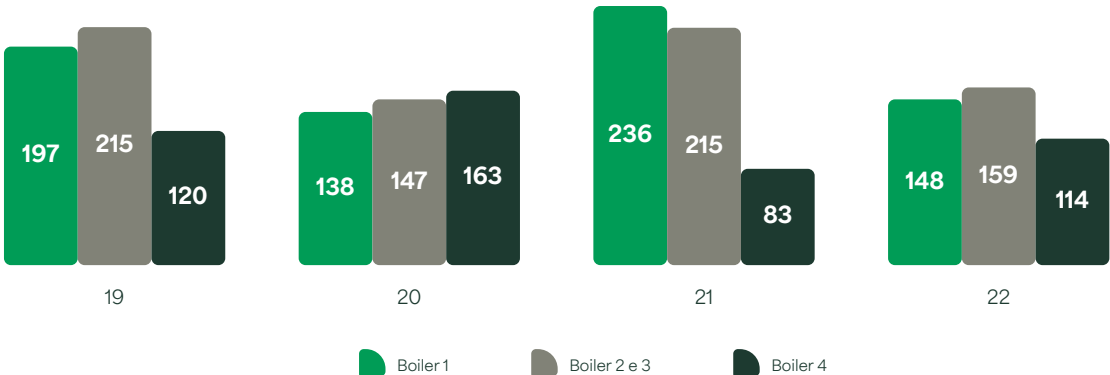
Atmospheric Emissions Monitoring Program

[3-3 | 305-7]

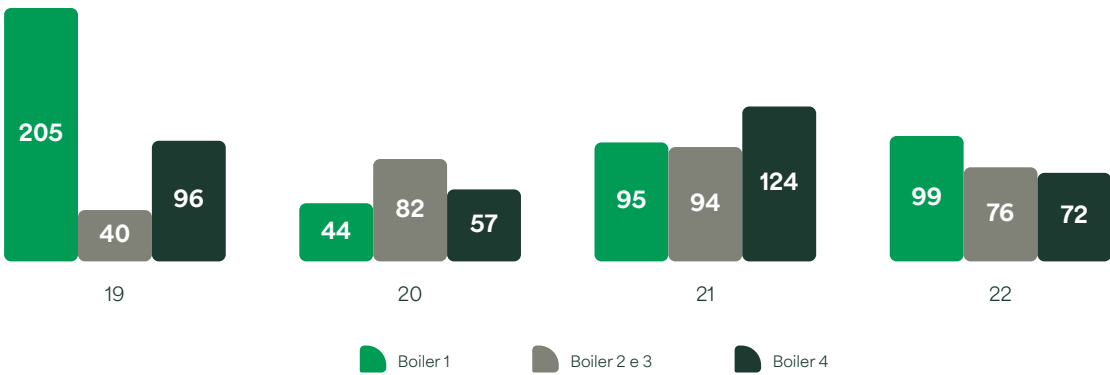
Among the environmental programs we have adopted as management measures, we have the Atmospheric Emissions Monitoring Program, through which we annually quantify emissions of particulate matter (MP) and nitrogen oxides (NOx) emitted by the chimneys of our boilers.

305-7: Nitrogen oxides(NOx), sulfur oxides(SOx), and other significant air emissions

PARTICULATE MATTER (mg/Nm³)



NOx (mg/Nm³)



Emissions of Particulate Material and Nitrogen Oxides meet the limit established in accordance with CONAMA Resolutions No. 436 of 12/22/2011 - annex III and CONAMA No. 382 of 12/26/2006 - annex III.

All results are compiled into technical reports and sent at a pre-determined frequency for analysis and opinion by the state environmental body (CETESB), who is responsible for Nardini’s environmental licensing. It is important to highlight that over the years our emissions have always been within the standards established by current legislation.

In addition to quantifying our industrial emissions, we also have parallel projects that aim to monitor black smoke emissions from the fleet of diesel-powered vehicles. Since 2005, Projeto ECOAR has been helping us monitor the company’s environmental performance when regards to our fleet, as well as third parties’ fleets. With each passing year, we have been observing how simple everyday actions, accompanied by an adequate action plan, are fundamental for continuous growth.

Waste Management

[3-3 | 301-2 | 301-3 | 306-1 | 306-2 | 306-3 | 306-4 | 306-5]

Our results would not be the same if our environmental management did not consider the extension of our impacts throughout all aspects of the production process. With this in mind, the theme of waste management becomes material to us, as we have pointed out. Our current management practices in relation to this theme are focused on our own activities and do not directly or actively act on what happens during production of inputs and the final consumption of the products, for example.

However, this does not mean the generation of impact throughout the value chain is something we do not worry about. We understand the complexity of the question and how much our actions can impact those away from Nardini’s borders. Due to that, we take measures that focus on circularity, and therefore can reduce both the consumption of materials and the generation of post-sales residues. An example of that is the fact that the majority of big bags of crystal and demerara sugar are returnable.

To ensure more effective control over generation, segregation, temporary storage, and destination, we concentrate all corresponding activities and actions in our Solid Waste Management Program, which is part of the company’s larger strategy for sustainability. This way, we monitor all the documentation issues to fully comply with applicable legal requirements.

Reuse

Throughout our industrial process we observe that organic mixture is the determinant for the high rate of reuse of organic solid waste. Sugarcane harvested in the field, through agricultural mechanization, adds mineral and vegetable impurities, which are then removed in the industrial process, generating the filter cake which, together with the soot and ash resulting from the washing of gases from sugarcane bagasse burning in the boiler, are then sent for composting to produce organomineral fertilizer used in the planting and renovation areas of the sugarcane field.

Our Flow

Here at Nardini we have implemented a selective collection mechanism. All sectors have collectors identified by the type of waste so that they can be separated and packaged in an easier way until collection. After selective collection at each sector, the waste is sent to the Waste Storage Center for subsequent disposal.

At the Waste Center, we receive all recyclable and non-recyclabe waste generated in the company. There, the waste is also packaged and separated according to its type.

Waste contaminated with hydrocarbons, which constitute part of our hazardous waste, are kept in drums in a waterproof and contained area. This way we ensure that any residual from possible leaks do not infiltrate and reach soil layers and groundwater, for example.

Recyclable waste is sent to recycling, while contaminated waste is sent to a company specializing in co-processing or disposal in an industrial landfill.

Non-recyclable residues and organic waste from the cafeteria are sent to the municipal landfill.

The ashes and filter cake are sent to the composting yard.

Therefore, here at Nardini, all waste is recycled or appropriately disposed of in landfills.

WASTE BY TYPE AND DISPOSAL METHOD (T)	2019/2020	2020/2021	2021/2022	2022/2023
HAZARDOUS WASTE				
Class I Landfill	89	84	67	48
NON-HAZARDOUS WASTE				
Reuse	-	-	-	-
Recycling	1,160	1,290	1,552	987
Compost	148,835	146,231	122,973	158,987
Landfill	-	-	118	95
TOTAL	150,084	147,605	124,710	160,116

Supliers’ Environmental Assessment

[3-3 | 308-1]

Raw material suppliers 100%

Their environmental obligations are a prerequisite for signing contracts. Among the requirements, we can highlight: Land Statute and Environmental Legislation. New suppliers must be registered in the CAR and Nardini Agroindustrial promotes the environmental recovery of APPS and reserve areas with these suppliers.

Service providers 100%

Their environmental obligations are a prerequisite for signing contracts. Among the requirements, we can highlight compliance with legal requirements, and social and environmental responsibility.

Input suppliers 100%

Their environmental obligations are a prerequisite for approval. Among the requirements, we can high-light compliance with legal requirements and employee health and safety management.





8

SUMÁRIO GRI

STATEMENT OF USE	Nardini Agroindustrial has reported in accordance with the GRI Standards for 01 April, 2023 to 31 March, 2023, based on GRI Guidelines.
GRI 1 USED	GRI 1: Foundation 2021
APPLICABLE GRI SECTOR STANDARD	GRI 13: Sector Standard for Agriculture, Aquaculture, and Fishing

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION OR DIRECT EXPLANATION
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021	2-1 Organizational details	a) Nardini Agroindustrial LTDA - Páginas 17 e 19
	2-2 Entities included in the organization's sustainability reporting	Pages 3, 17 and 42
	2-3 Reporting period, frequency and contact point	c) Report publication date: 22/09/2023 d) Contact for questions about the report or information reported: Page 3 Fábio Luiz Gonçalves - Quality Supervisor Phone: (16) 3287-9933 Email: qualidade@nardini.ind.br
	2-4 Restatements of information	The reformulations of information refer to the format of indicators, which was restructured through the updating of guidelines of GRI in 2021, becoming mandatory for use for reports published from 2023 onwards.
	2-5 External assurance	There was no external verification process for this report.
	2-6 Activities, value chain and other business relationships	Pages 17 and 21
	2-7 Employees	Page 51
	2-8 Workers who are not employees	Page 51
	2-9 Governance structure and composition	Page 26
	2-10 Nomination and selection of the highest governance body	Pages 28 and 29
	2-11 Chair of the highest governance body	Pages 26 and 29
	2-12 Role of the highest governance body in overseeing the management of impacts	Pages 12 and 28
	2-13 Delegation of responsibility for managing impacts	Page 29
	2-14 Role of the highest governance body in sustainability reporting	Pages 29 and 30
	2-15 Conflicts of interest	Page 30
	2-16 Communication of critical concerns	Page 33
	2-17 Collective knowledge of the highest governance body	Page 28
	2-18 Evaluation of the performance of the highest governance body	Page 30
	2-19 Remuneration policies	Nardini has remuneration policies for the executive board and advisors, duly approved at Shareholder's Meetings. The performance of the executive board is monitored through indicators, defined by senior management. This information, however, is confidential as it is part of the company's business strategy.

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION OR DIRECT EXPLANATION
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	Nardini has remuneration policies for the executive board and advisors, duly approved at Shareholder's Meetings. The performance of the executive board is monitored through indicators, defined by senior management. This information, however, is confidential as it is part of the company's business strategy.
	2-21 Annual total compensation ratio	
	2-22 Statement on sustainable development strategy	
	2-23 Policy commitments	Pages 30, 31 and 32
	2-24 Embedding policy commitments	Pages 30, 31 and 32
	2-25 Processes to remediate negative impacts	Pages 31 and 33
	2-26 Mechanisms for seeking advice and raising concerns	Page 32
	2-27 Compliance with laws and regulations	In the 22/23 harvest, 04 Labor Infraction Notices (AIIM) were issued against Nardini, with 03 AIIM linked to inspections that took place at the Vista Alegre do Auto/SP location, and 01 AIIM referring to indirect inspections that took place at the Aporé/GO unit. On 05/2023, there was notification of the decision that assessed the defense presented at the Aporé AIIM, deciding to maintain the AIIM, with a fine of R\$ 3,453.91. The fine was collected with the benefit of a discount of 50%. On 07/2023, Nardini was notified of the decisions made on the 03 AIIM drawn up at the Vista Alegre do Alto/SP location, with fines set at the amounts of R\$ 4,082.52, R\$ 5,105.44 and 5,105.44. Payments of fines were made with a 50% discount.
	2-28 Membership associations	Page 34
	2-29 Approach to stakeholder engagement	Page 12
2-30 Collective bargaining agreements	Page 61	
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 12
	3-2 List of material topics	Page 13
	3-3 Management of material topics	Pages 13, 30, 31, 32, 33, 37, 38, 41, 42, 47, 51, 54, 55, 56, 60, 61, 62, 66, 70, 71, 73, 74, 75 and 77
ECONOMIC PERFORMANCE		
Economic Performance	201-1 Direct economic value generated and distributed	Pages 42 and 45
	201-2 Financial implications and other risks and opportunities due to climate change	Page 38
	201-3 Defined benefit plan obligations and other retirement plans	Page 55
	201-4 Financial assistance received from government	Page 47

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION OR DIRECT EXPLANATION
MARKET PRESENCE		
Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Page 51
	202-2 Proportion of senior management hired from the local community	Page 45
INDIRECT ECONOMIC IMPACTS		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Pages 37 and 41
	203-2 Significant indirect economic impacts	Pages 37, 38, 41 and 45
PROCUREMENT PRACTICES		
GRI 204: Práticas de Compra 2016	204-1 Proportion of spending on local suppliers	Page 45
ANTI-CORRUPTION		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 47
	205-2 Communication and training about anti-corruption policies and procedures	Page 47
	205-3 Confirmed incidents of corruption and actions taken	Page 47
ANTI-COMPETITIVE BEHAVIOR		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Page 47
TAX		
GRI 207: Tax 2019	207-1 Approach to tax	Page 47
	207-2 Tax governance, control, and risk management	Page 47
	207-3 Stakeholder engagement and management of concerns related to tax	Page 47
	207-4 Country-by-country reporting	Page 42
MATERIAIS		
GRI 301: Materiais 2016	301-1 Materials used by weight or volume	Page 67
	301-2 Recycled input materials used	Page 75
	301-3 Reclaimed products and their packaging materials	Pages 67 and 75

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION OR DIRECT EXPLANATION
ENERGY		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 68
	302-2 Energy consumption outside of the organization	Page 68
	302-3 Energy intensity	Page 69
WATER AND EFFLUENTS		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 70
	303-2 Management of water discharge-related impacts	Page 70
	303-3 Water withdrawal	Page 70
	303-4 Water discharge	Page 70
	303-5 Water consumption	Page 70
BIODIVERSITY		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Page 71
	304-2 Significant impacts of activities, products and services on biodiversity	Page 71
	304-3 Habitats protected or restored	Page 71
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Page 72
EMISSIONS		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 73
	305-2 Energy indirect (Scope 2) GHG emissions	Page 73
	305-3 Other indirect (Scope 3) GHG emissions	Page 73
	305-4 GHG emissions intensity	Page 73
	305-5 Reduction of GHG emissions	Nardini, to date, has no commitment to reduce greenhouse gas emissions.
	305-6 Emissions of ozone-depleting substances (ODS)	8.76 x 10-3 T CFC-11 Equivalent
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Page 74

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION OR DIRECT EXPLANATION
WASTE		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 75
	306-2 Management of significant waste-related impacts	Page 75
	306-3 Waste generated	Page 76
	306-4 Waste diverted from disposal	Page 76
	306-5 Waste directed to disposal	Page 76
SUPPLIER ENVIRONMENTAL ASSESSMENT		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 77
	308-2 Negative environmental impacts in the supply chain and actions taken	Currently there is no formalized systematic and measurement of this item. However, Nardini always adopts preventive and/or corrective measures when it becomes aware of Negative Environmental Impacts from suppliers within its scope.
EMPLOYMENT		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 51
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 55
	401-3 Parental leave	Pages 51 and 55
LABOR/MANAGEMENT RELATIONS		
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Pages 51 and 61
OCCUPATIONAL HEALTH AND SAFETY		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 56
	403-2 Hazard identification, risk assessment, and incident investigation	Page 56
	403-3 Occupational health services	Page 56
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 56
	403-5 Worker training on occupational health and safety	Page 56
	403-6 Promotion of worker health	Page 56
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 56
	403-8 Workers covered by an occupational health and safety management system	Page 56
	403-9 Work-related injuries	Page 56
	403-10 Work-related ill health	Page 56

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION OR DIRECT EXPLANATION
TRAINING AND EDUCATION		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pages 60 and 61
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 60
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 60
DIVERSITY AND EQUAL OPPORTUNITY		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 53
	405-2 Ratio of basic salary and remuneration of women to men	Page 53
NON-DISCRIMINATION		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 32
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 54
CHILD LABOR		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 54
FORCED OR COMPULSORY LABOR		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 54
SECURITY PRACTICES		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Page 60
RIGHTS OF INDIGENOUS PEOPLES		
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Page 54
LOCAL COMMUNITIES		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 62
	413-2 Operations with significant actual and potential negative impacts on local communities	Page 62

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION OR DIRECT EXPLANATION
SUPPLIER SOCIAL ASSESSMENT		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Page 54
	414-2 Negative social impacts in the supply chain and actions taken	Currently there is no formalized structure or measurement of this item.
PUBLIC POLICY		
GRI 415: Public Policy 2016	415-1 Political contributions	We do not make political contributions.
CUSTOMER HEALTH AND SAFETY		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Page 54
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	There were no cases of non-compliance.
MARKETING AND LABELING		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Page 54
	417-2 Incidents of non-compliance concerning product and service information and labeling	There were no cases of non-compliance.
	417-3 Incidents of non-compliance concerning marketing communications	Page 54
CUSTOMER PRIVACY		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 54



CREDITS

Credits

Overseeing

Nardini’s Sustainability Committee

GRI Consulting, Materiality, Content, and Design

Soluta Gestão e Meio Ambiente

Photography

Nardini Collection and Image Bank

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Address: Vista Alegre Farm, S/N - Km 2.5

Neighborhood: Rural Area

Vista Alegre do Alto - SP

Aporé Location

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