



Annual Sustainability Report

20-21



**#GREAT
BYNATURE**



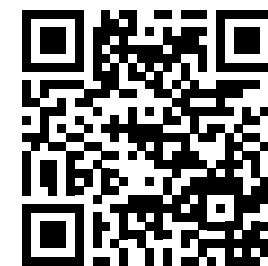
ABOUT THE REPORT

In the pursuit of the best practices for the performance and evolution of its procedures, Nardini takes another step further into its path and publicly presents its first Annual Sustainability Report 2020-2021, compiled based on GRI Standards (Essential option), the main global standard of reporting within ESG (Environmental, Social and Governance) criteria. 102-50 | 102-52 | 102-54

This first report contains results gathered on economic, environmental, social, ethical and governance topics for the 2020/2021 crop year, comprising the period from April 1, 2020 to March 31, 2021; it also covers the Nardini Energy Company (Companhia Energética Nardini - CEN). 102-45

The Material Topics that based this report's contents were defined from the engagement with stakeholders and, in addition, are connected to Nardini's contributions to the Sustainable Development Goals (SDGs), proposed in 2015 by the United Nations (UN). 102-46

With this first report, we hope to present, with transparency and efficiency, the results gathered during the reporting period, committed to showcasing the efforts made in the pursuit of a fair, environmentally and socially responsible economy, alongside all parties impacted by the company's operations.



Learn more about Nardini accessing its website using the QR Code on the left, or through the link: www.nardini.ind.br

We turn the
earth's gifts
into fuel for
a sustainable
world.

**THIS IS OUR
ENERGY.**

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A WORD FROM SENIOR MANAGEMENT

102-14



RICCARDO NARDINI

Chief Executive Officer

Nardini had a memorable 2020/2021 crop year. We broke several records in agricultural and industrial production and efficiency, in addition to an excellent financial result - the best in our history. What makes us proud is that all of this was achieved while keeping our ISO 9001, FSSC 22000, Bonsucro, GPTW and Renovabio certifications, further cementing our place in the league of sustainable companies. Sustainability has always been the pillar supporting our 48-year history. It allowed us to grow.

Today, we have an efficient and flexible manufacture, which enables us to focus on products with the best results. We are always looking for products with higher added value, such as granulated sugar and anhydrous ethanol.

Our subsidiary, CEN - Companhia Energética Nardini (Nardini Energy Company) - generates electricity from biomass, which means clean and renewable energy. We are prepared to co-generate electricity also during the off-season, allowing us to mitigate the risks the market presents in order to continue advancing with our strategies and meet the goals outlined by the Executive Board.

We work focused on the collective. Our aim, in addition to the well-being of our employees, is the well-being of the whole community where

we operate. We have developed several social and environmental projects, including the Aurélio Nardini Prize, which encourages studying in schools in Vista Alegre do Alto, and the Nardini Evergreen Project, which offers guidance on and raises awareness about the need to preserve the environment. We constantly train our team so that they can grow together with Nardini. We are proud of having a capable staff that works with an unparalleled motivation. Proof of that is our GPTW (Great Place to Work) certification, which attests to our good work environment and satisfying organizational climate and culture.

A company will only be successful if its policies are focused on governance, with a strategy grounded on ESG principles, social and environmental issues. Therefore, after working for 5 years with an Advisory Council, in July/2021 we constituted our first Executive Board. This board is 100% formed by industry professionals.

We still have major challenges ahead, such as bringing to fruition the Aporé Project, in the Goiás state, where our second manufacturing unit is being built - expected to create more than 1,000 direct jobs - and the completion of our thermoelectric plant, CEN, in Vista Alegre do Alto, in the São Paulo state, among others.

Throughout our journey, we have gone through many difficult moments and we have always known how to overcome them. In this trajectory, we never forget our values and commitment to:

- **Constantly seek to improve our processes to ensure the satisfaction of our customers and suppliers**
- **Provide safety and satisfaction to our employees**
- **Respect the environment**
- **Ensure suitable return of investment to quotaholders**

All of this makes Nardini a unique company. I thank everyone who, directly or indirectly, help make Nardini a company that is #GreatByNature.

I am very proud to be part of this team.



DONA GUIOMAR DELLA TOGNA NARDINI

Nardini Family's Matriarch

How to talk about Nardini...

Eu, que vivi, convivi, senti e palpiti junto a cada dia e ano deste meio século de vida dela, me torno, entre todos, alguém um pouco suspeita pelo carinho e amor que sempre tive por ela.

If the subject is sustainability, I say adamantly, Nardini was already created attached to the tripod that must support every company today, the tripod grounded on sustainability, featuring three distinct legs.

One: Social responsibility is a quality that sets Nardini apart.

Nardini was born imbued with love for others, with harmony and ease among its workers, making them now the Nardini Family.

The Company extends its field of vision to the neighboring towns, not only in dire moments or similar times, but in everyday life, always helping to solve small or big problems.

Two: Nardini honors its financial commitments to its employees, suppliers, industrial and financial partners. That's where the good name that Nardini has had since its foundation was forged. Nardini fulfills its obligations.

The third leg of the tripod of sustainability is the environment; we respect it and, in recent years, several animals have reappeared: toucans, monkeys, anteaters, maned wolves, etc.

The dams has alligators, on their banks there are flocks of capybara. Therefore, the habitat that once belonged to them is reborn.

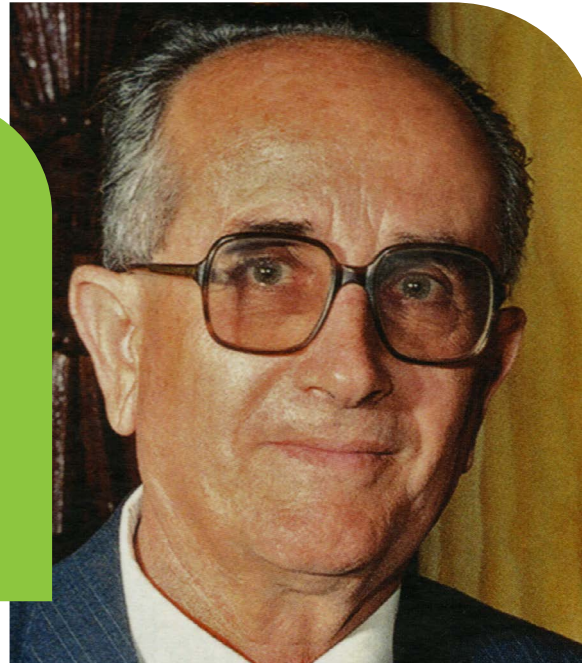
In summary, I could epitomize Nardini as being a SUSTAINABLE COMPANY.





THE AURÉLIO NARDINI LEGACY

“SUCCESS IS
95% PERSPIRATION AND
5% INSPIRATION; PLUS
A BREEZE IN YOUR FAVOR
ALWAYS HELPS”



AURÉLIO NARDINI

Son of Serafino Nardini and Valéria Cavallari, Aurélio Nardini was born in 1924 Lazio region, Italy, a country where he lived all his youth and was able to take technical agriculture and agronomy courses.

In the midst of his studies, in 1943, then aged 19, Aurélio Nardini showed up at the barracks in Rieti, wearing a uniform, and was introduced to the horrors of the War, which forever marked his memory.

In 1948 he graduated as an agronomist and started teaching in schools, and in 1949, through the Countess Mariângela Matarazzo Peixoto Gomide (a friend of the Nardini family), he was convinced to immigrate to Brazil, where the Countess lures him with a job.

After some setbacks, being in the town of Piracicaba, in São Paulo state, he came into contact with Mario Dedini, an agribusiness entrepreneur and manufacturer of agricultural machinery and started working in the management of agricultural areas of the farms of the São Francisco do Quilombo Mill, in Charqueada, also in São Paulo state, where he remained for six years. Sometime later, now as CEO of Catanduva Mill, located in the town of the same name, he met his future wife, Guiomar Della Togna.

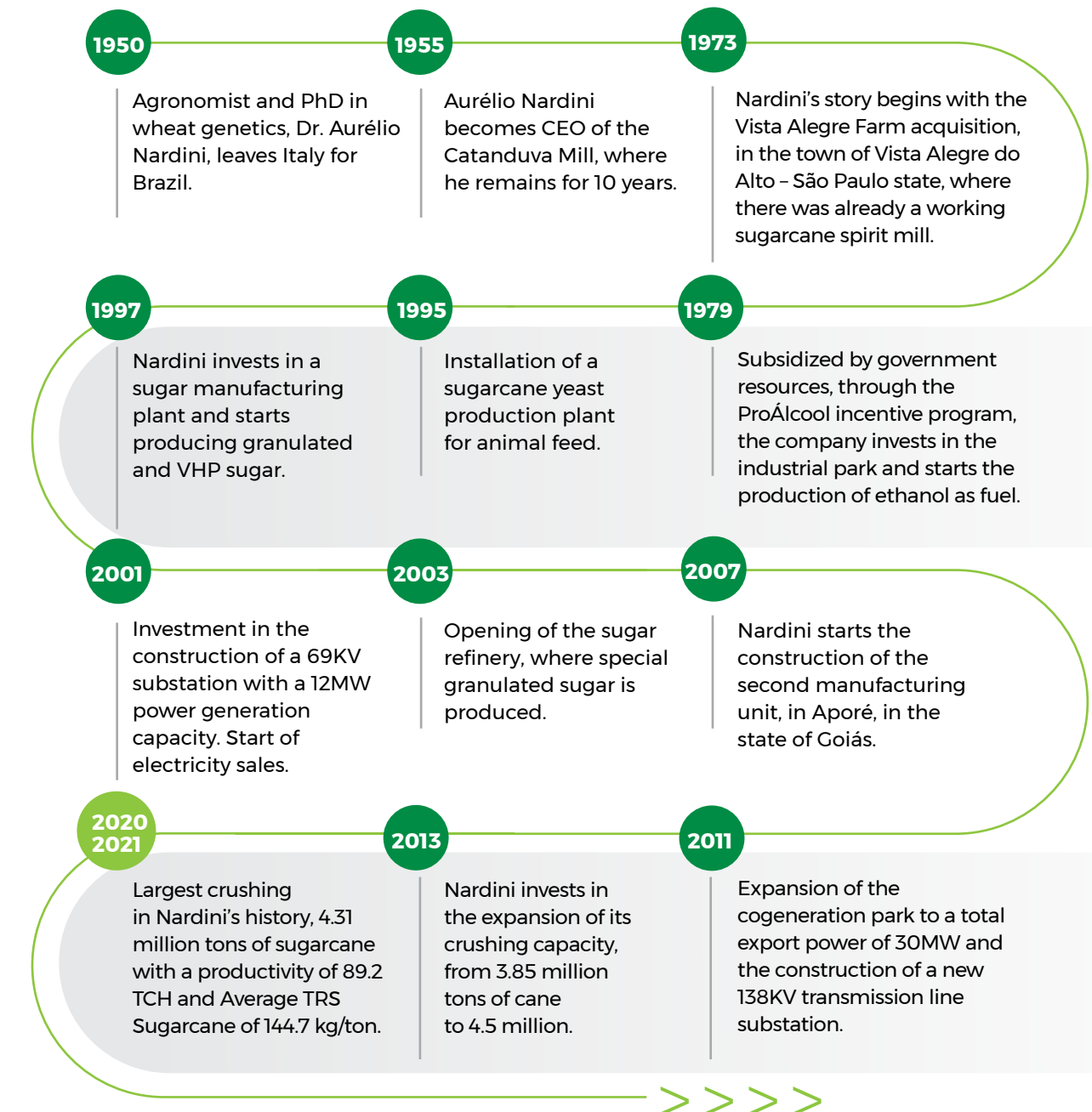
After almost ten years in the command of Catanduva Mill, Aurélio decided to set up his first office in the Café Building, downtown Catanduva, to manage his farms: Scala, Santa Rita, Santo Antônio, Pau d'Alho and Santa Paola, acquired throughout his years of work. The farms supply sugarcane to the Catanduva and Cerradinho mills.

In 1973, he purchased a small sugarcane sugar mill from the Campagna brothers, in Vista Alegre do Alto, where the story of Nardini Agroindustrial began and continues on a successful path to this day.

Aurélio Nardini passed away on June 14, 2003, but his memory remains alive in the company's daily life and history. Entrepreneurial courage, honesty, solidarity and inspiration are still a strong fuel that powers all employees working at Nardini Agroindustrial through any challenges.

THE EVOLUTION THROUGHOUT OUR HISTORY

LEARN A BIT ABOUT THE PATH THAT BROUGHT US HERE.



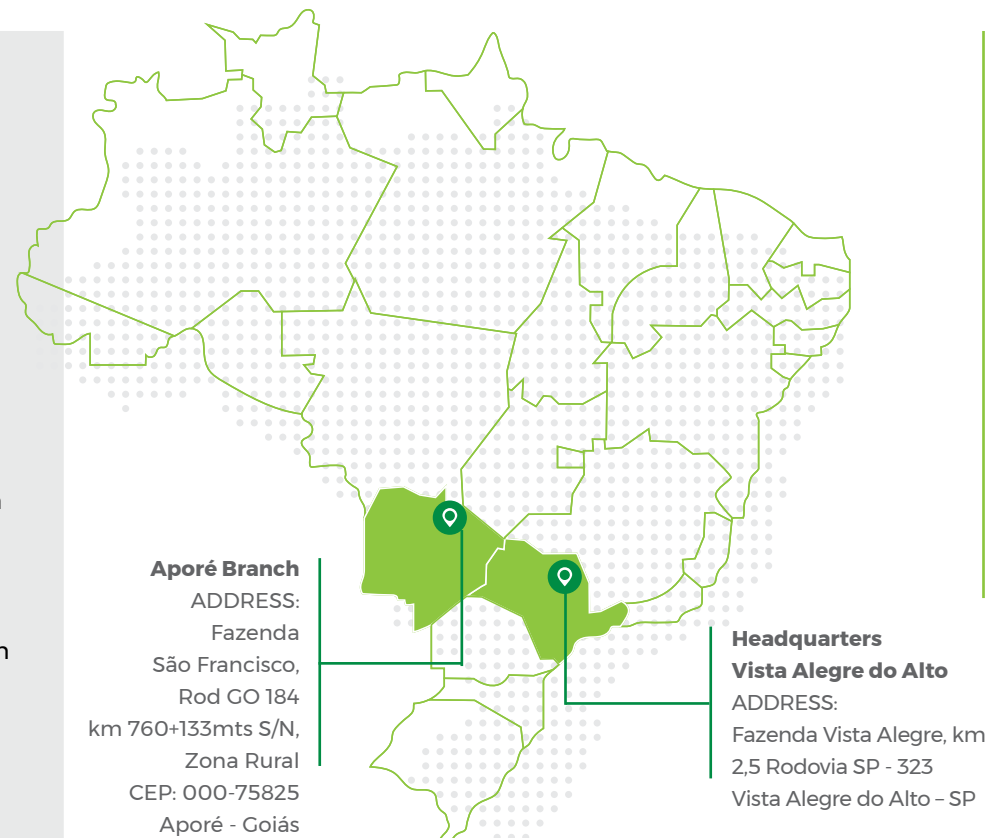
WE ARE NARDINI

We are a limited liability company that, in almost 50 years of history, has become one of the largest in the national sugar-energy industry, producing sugar, ethanol, hydrolyzed bagasse, yeast, peanuts, soy and electricity through Companhia Energética Nardini (Nardini Energy Company) - CEN. 102-5



WHERE WE ARE

Headquartered in Vista Alegre do Alto, São Paulo state, we serve the domestic and foreign markets and have a crushing capacity of 4.7 million tons of sugarcane per crop year. Seeking to grow, we are implementing another manufacturing unit in the town of Aporé, Goiás state.
102-3 | 102-4 | 102-7



THE HIGHLIGHTS OF THE YEAR

147,2%

increase in operating income



232,9%

increase in continuing operations.

- We achieved the best financial results in our history, increasing all related indicators.
- We had net revenue of R\$986 million, 58% in the foreign market and 42% in the domestic market.
- We increased our adjusted EBITDA by 40.8%.
- We reduced our net debt by 12.1%.
- We ended the 2020/2021 crop year with high liquidity and cash balance, providing operational security to our employees, customers and suppliers.

4.3 Million

tons of sugarcane processed.



262 thousand MWh

of produced energy.

- 19.2% increase in the total volume of Total Recoverable Sugar (TRS) produced in comparison to the previous crop year.
- 72.3% increase in sugar production volume, compared to the previous crop year, which was the focus of our operations during this period.
- Production of 136,000 m³ of ethanol.
- 3.3 thousand tons of yeast produced.

100%

of the effluent generated in the manufacture is reused in our production processes, with no effluent being released into receiving water bodies.



- Almost a 10% reduction in specific water consumption, from 0.62 in the 2019/2020 crop year to 0.56 m³/tc (ton of cane) in 2020/2021.
- 100% of waste reused, recycled or properly disposed of in landfills.

*tc= tonelada de cana

ISO 45.000



- We started our process of implementing the occupational health and safety management system.



STAKEHOLDER ENGAGEMENT AND MATERIAL TOPICS

WHO ARE OUR STAKEHOLDERS?

102-40 | 102-42

For this first sustainability report, a Materiality Assessment was conducted, in order to define the priority and relevant themes, taking into account the opinion of our internal and external stakeholders, as well as industry benchmarking surveys from other companies with award-winning reports.

Our story was forged on our employees' cooperation and work, as well as on how our operations connect to and impact the lives of people and organizations. Therefore, we understand the importance of engaging our stakeholders for an active participation in our plans. As a result, based on the method proposed by the **AA1000SES (AA1000 Stakeholder Engagement Standard)**, we mapped our stakeholders, who were able to contribute to the elaboration of this report 102-43



APPROACH TO STAKEHOLDER ENGAGEMENT

In June 2021, we approached 90 stakeholders, including representatives from each of the mapped groups.

The opinions and expectations of our stakeholders were assessed via online surveys, which addressed issues related to economic, environmental and social topics, as well as stakeholder expectations and level of proximity to Nardini. In addition, in order to come up with a stakeholder engagement plan, the main interests of each group the engagement forums preferred by each one were gauged.

STAKEHOLDER LIST, MAIN TOPICS OF INTEREST, FORUMS AND FREQUENCY OF ENGAGEMENT

102-40 | 102-44

Stakeholder	Main topics of interest	Engagement forums	Frequency
Quotaholders	Occupational health and safety; Economic performance; Sustainability	Email, thematic reports	Weekly, quarterly
Clients	Economic performance; Sustainability; Corporate governance	Email, WhatsApp	Quarterly, on demand
Nardini employees	Occupational health and safety; Sustainability; Social and environmental risk prevention	Email, social media, WhatsApp	Daily, weekly
Local communities	Sustainability; Social and environmental risk prevention; Environmental management; Healthy relationships with the community	E-mail	Yearly
Unions and class entities	Economic performance; Sustainability; Ethics and integrity in business	Email	Weekly
Suppliers	Occupational health and safety; Economic performance; Sustainability; Ethics and integrity in business	Email, WhatsApp, thematic reports	Monthly, on demand
Government agencies	Sustainability; Social and environmental risk prevention; Environmental management	Email, thematic reports	Monthly, quarterly
Press / Media	Occupational health and safety; Social and environmental risk prevention; COVID-19 pandemic management	Email, thematic reports	Monthly



THE MATERIALITY MATRIX CONSTRUCTION

The definition of materiality and the topic selection are processes the organization is mindful of and considers rather relevant. These assessments are conducted according to the business strategy and the public perception of whom they concern, the stakeholders. According to the GRI methodology (GRI 101: 2016 Foundation), materiality is the principle that determines which topics are sufficiently important for their reporting to be essential.

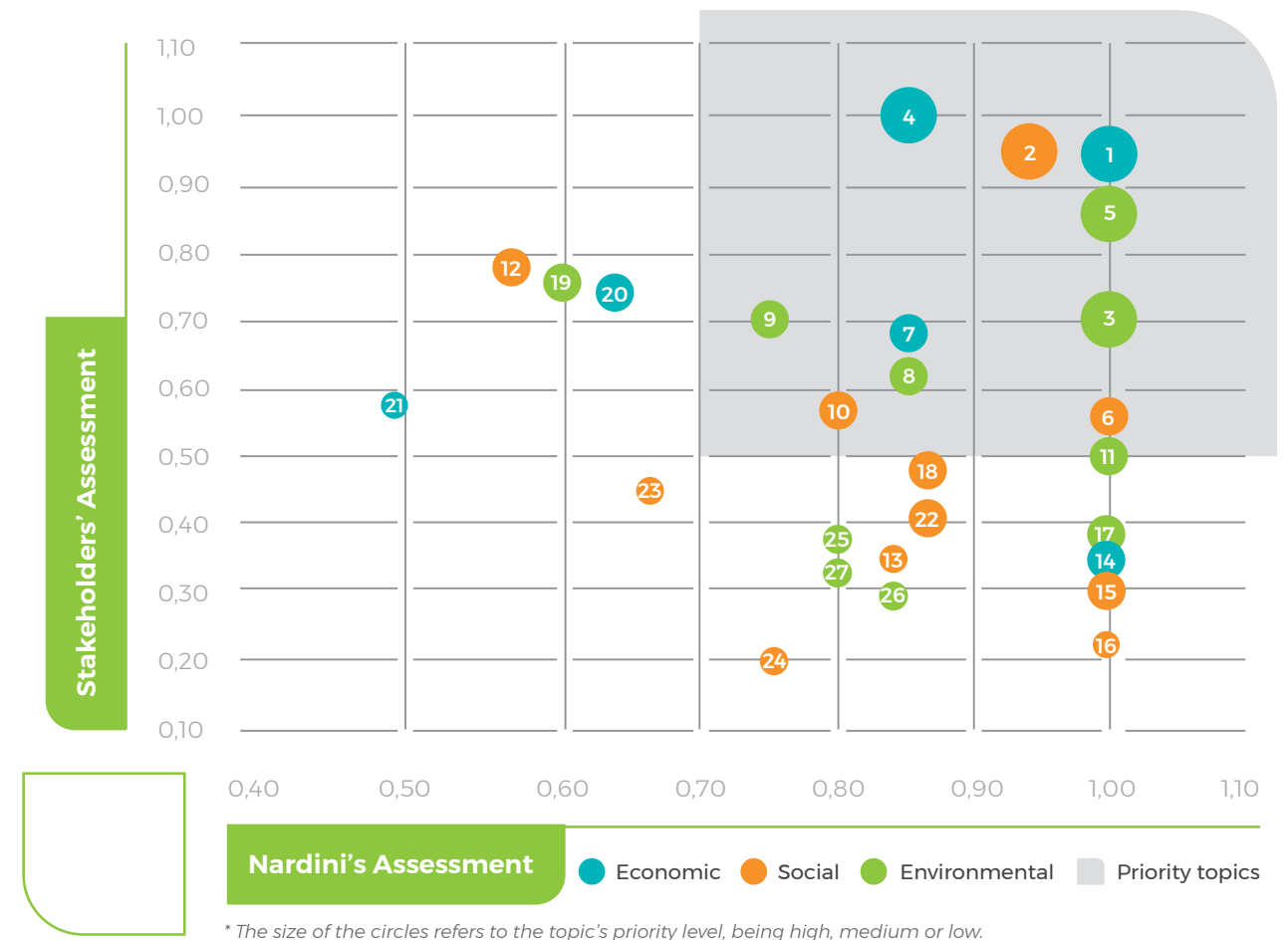
To define the first Nardini Agroindustrial's materiality matrix, internal and external factors were taken into account, evaluating the importance of topics that reflect significant economic, environmental and social impacts on the organization. Consequently, the results of the stakeholder engagement and the internal assessment of the company's senior management were the basis for the construction of the Nardini 2020-2021 materiality matrix.

TOPICS COVERED IN THE STAKEHOLDER CONSULTATION SURVEY

- 1 Increase in agricultural productivity
- 2 Occupational health and safety management system
- 3 Water reuse measures and consumption reduction
- 4 Economic performance: generation and distribution of economic value
- 5 Proper management of vinasse application for irrigation and fertilization purposes
- 6 Promotion of health and safety of employees and outsourced workers
- 7 New products and innovations
- 8 Water quality management and proper wastewater disposal
- 9 Soil conservation practices
- 10 Hiring management; turnover and job retention
- 11 Compliance with Environmental Legislation
- 12 Benefits offered
- 13 Development of healthy relationship with the local community
- 14 Indebtedness
- 15 Risk assessment and incident investigation
- 16 Prevention of child and forced labor
- 17 Adoption of energy efficiency measures
- 18 Developing healthy relationships with customers and suppliers
- 19 Use of renewable energy sources
- 20 Investments in infrastructure and services
- 21 Hiring local labor
- 22 Customer satisfaction
- 23 Employee participation in company decision-making
- 24 Diversity and gender inclusion policies
- 25 Adaptation of the business to the climate change scenario
- 26 Reduction of solid waste generation and proper disposal
- 27 Actions to reduce greenhouse gas emissions

MATERIALITY MATRIX: VISUAL REPRESENTATION OF THE MATERIAL ASPECTS AND THEMES PRIORITY RANKING

102-44



The vertical axis corresponds to the stakeholder assessment and indicates the relevance of each topic in terms of the impacts on their decisions/relationship with Nardini.

The horizontal axis corresponds to Nardini's internal assessment, a process that involved quantitative and qualitative weighting based on how each item integrates with the vision and strategy of the company, the sugar-energy industry and the context of sustainable development as a whole.

Topics that are highly relevant for the company and our stakeholders were prioritized, according to the Materiality Matrix, in addition to being reported the SDGs.

Some items were grouped under the same material topic, as they are part of the same concept and within the same GRI topic. For example: Measures for reuse and reduction of water consumption (3) and Management of water quality and proper disposal of effluents (8) were called Water and effluents management, as well as Increased agricultural productivity (1) and New products and innovations (7) were grouped under the material topic Productivity, technology and innovation.

The material themes identified in our stakeholder survey will feed into the strategic planning of our operations and help senior governance identify and manage impacts, risks and opportunities, derived from economic, environmental and social topics. 102-29

MATERIAL TOPICS AND CORRESPONDING BOUNDARIES

102-46 | 102-47 | 103-1 | 103-2

	Temas Materiais	Itens incluídos no tema	Tópicos GRI	Limites	ODS
1	Productivity, Technology and Innovation	<ul style="list-style-type: none"> Increased agricultural productivity New products and innovations 	201-1; 203-1	Internal	2 8 9 12 17
2	Occupational Health and Safety	<ul style="list-style-type: none"> Occupational health and safety management Promotion of health and safety of employees and outsourced workers Risk assessment and incident investigation 	403; 403-7; 403-2; 410;	Internal	3 8 12
3	Water and Effluents Management	<ul style="list-style-type: none"> Water reuse measures and consumption reduction Water quality management and proper wastewater disposal 	303	Internal / external	6 12
4	Economic Performance	<ul style="list-style-type: none"> Generation and distribution of economic value Indebtedness 	201; 419	Internal / external	8 10
5	Soil Use and Conservation	<ul style="list-style-type: none"> Soil conservation practices Proper management of vinasse application for irrigation and fertilization purposes (Fertigation) 	304; 303; 306	Internal	2 12 15
6	Human Resource Management	<ul style="list-style-type: none"> Contract management; turnover and job retention Benefits offered Prevention of child and forced labor 	401 (401-1 e 401-3); 404; 405; 406; 408; 409	Internal	1 3 4 5 8 10
7	Environmental Compliance	<ul style="list-style-type: none"> Compliance with Environmental Legislation 	307	Internal / external	11 12
8	Energy efficiency	<ul style="list-style-type: none"> Adoption of energy efficiency measures: energy use, energy cogeneration. 	302	Internal	7 9
9	Healthy relationships	<ul style="list-style-type: none"> Development of healthy relationships with customers and suppliers Development of healthy relationships with the local community 	102-21, 102-40 a 102-44, 207-3, 413-1; 413-2; 414-1; 415; 418;	External	11 16 17

SUSTAINABLE DEVELOPMENT GOALS (SDG)

There are 17 goals and 169 global initiatives to be achieved by 2030, most of them within the environmental, economic and social dimensions of sustainable development, in a unified and interconnected fashion. Guided by the global goals, countries are expected to set their national goals, according to their circumstances, and incorporate them into their government policies, programs and plans.



STRATEGIC MANAGEMENT IN THE COVID-19 PANDEMIC

The new Coronavirus (SARS-CoV-2) pandemic, recognized by the World Health Organization (WHO) in March 2020, has, in different ways, widely affected the entire global civilization, raising concerns and the need for swift and strict actions in order to preserve life.

In light of this scenario, we are committed to keeping all our employees, partners and community safe. We created the **Covid-19 Contingency Action Committee**, aiming to discuss and implement procedures for the protection and care of our employees and the local community. Based on the recommendations of national and international health agencies, in addition to state and municipal legislation, the committee developed an Action Plan, making it possible to maintain our activities, ensuring health and employment, which are essential for society.

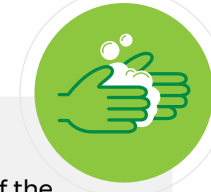
During this period, we were also able to rely on the support of UNICA (Sugarcane Industry Union), which provided an infectious disease specialist to help its member companies with medical advice.

Our committee also monitors medical bulletins on the progress of the pandemic in the country and constantly assesses the effectiveness of actions, on top of encouraging and raising awareness about the importance of vaccination.



INTERNAL ACTIONS CARRIED OUT DURING THE PERIOD

SANITATION



- Reinforcement in the cleaning of the main entrances and common areas of the company with sodium hypochlorite and chlorinated cloths made available for foot hygiene.
- Use of 70% alcohol to disinfect restrooms several times a day, as well as doors and door handles.
- Cleaning of employee transport buses with 70% alcohol.
- Distribution of sprayers with 70% alcohol for cleaning the steering wheels, gearboxes, dashboards and control panels of trucks, machinery and equipment.
- 70% alcohol hand sanitizer made available in all areas

CONTAINMENT MEASURES



- Temperature check when arriving at the company.
- Occupational physician available to employees from all departments.
- Mask distribution.
- Temporary suspension of the breathalyzer.
- Partnerships with health and dental plan providers to distribute literature and create healthcare service strategies for everyone.
- Update of vaccinated employees' medical records.
- Suspension of biometrics for timekeeping.

RAISING AWARENESS



- Publication of the Guidelines Manual against Covid-19.
- Daily safety discussion about the new Coronavirus.
- Creation of an exclusive WhatsApp number for questions about Covid-19.
- Weekly articles in the Newsletter with updates on the actions taken.
- Computer wallpaper with Covid-19 prevention information.
- Podcast with featuring an occupational physician interview on Covid-19.
- Prevention material shared on bulletin boards, emails and WhatsApp.
- Creation of weekly newsletters on the pandemic in the regions surrounding the plant, to aid the crisis committee monitoring
- Mask mandate.

SOCIAL DISTANCING



- Suspension of internal marketing events and internal and external visits.
- A cafeteria plan to implement social distancing with a 50% seating reduction and staggered meal times.
- Vacations for employees in the risk group.
- Home office for employees on alternate days.
- Reduction of in-person assistance from People & Management.
- Suspension of in-person training activities, mixers, workshops and business trips.
- Remote integration and training.

APOIO À COMUNIDADE

18,160

LITERS OF
ALCOHOL
70% DONATED

During the 2020/2021 crop year, sponsoring local town halls and hospitals, one of the main resources in the effort to prevent Coronavirus.



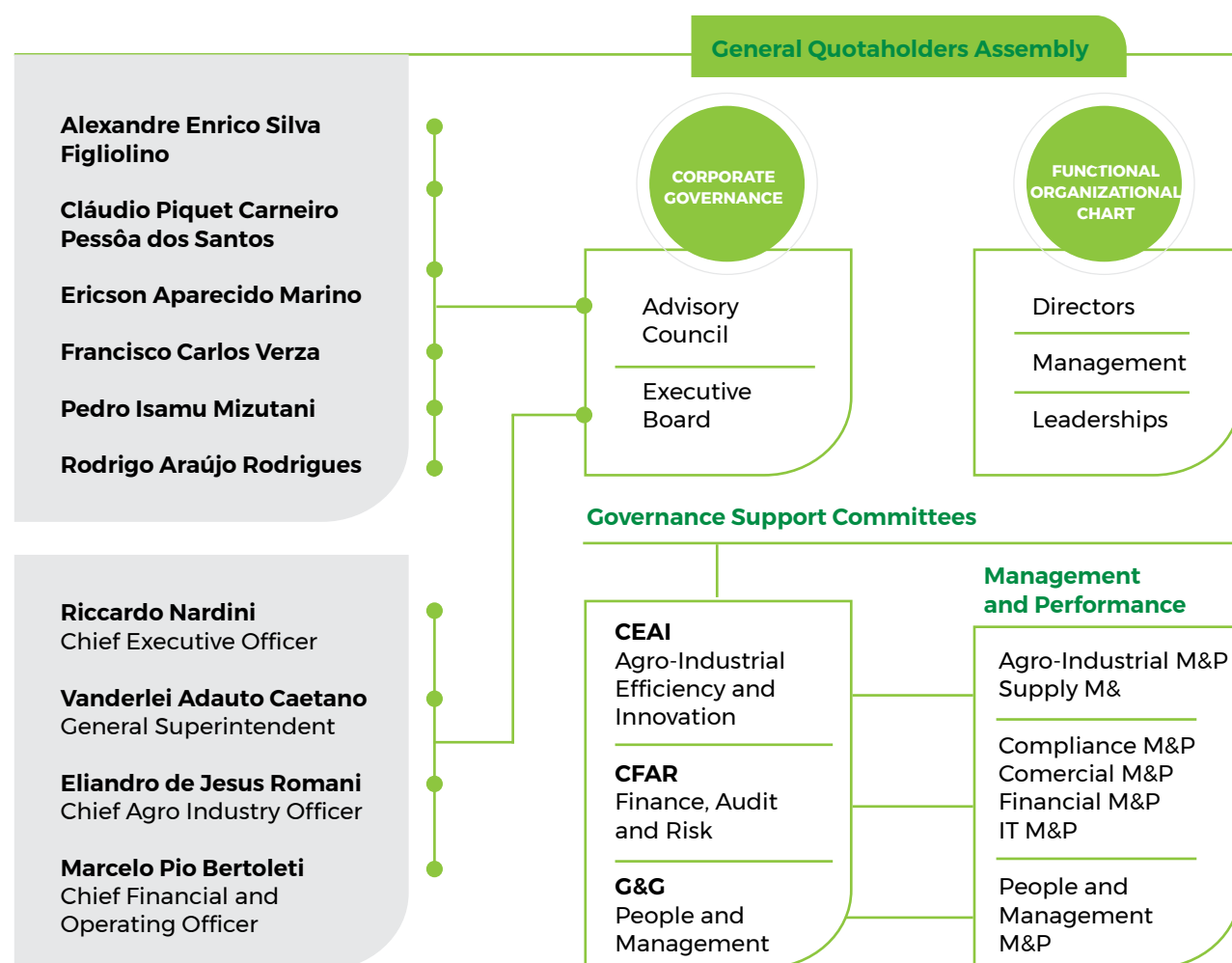
GOVERNANCE

GOVERNANCE STRUCTURE

102-18 | 102-19 | 102-23 | 102-26

We strive to improve and evolve our governance practices, following national and international trends. Our governance structure is led by 11 partners, one of which is our Chief Executive Officer.

The Quotaholders Assembly is the one who appoints and dismisses the members of the Executive Board, comprised of statutory officers, at the General Quotaholders Assembly meetings 102-22



The decisions that govern our activities are made by the General Quotaholders Assembly, such as the approval of business strategies, decisions on the allocation of profits and distribution of dividends, election of members of the Executive Board and the Advisory Council and definition of the remuneration of directors and counselors. In order to mediate relations between Nardini's senior management and members of the quotaholders' council, in January 2020 the Advisory Council was created, comprising six directors, one of whom was designated Chairman. Comprised of professionals selected by the quotaholders, the members of this group have a range of experiences, qualifications and styles of behavior so that they possess the required skills to perform their duties.

The Advisory Council has the role of monitoring, encouraging, approving and coordinating management activities, as independently as possible. The Council is also responsible for the strategic direction of the company, granted these powers by the quotaholders and held accountable, transparently, without losing sight of the stakeholders, always on behalf of Nardini's best interests.

The Chief Executive Officer, whose job is to run the executive management of the organization, seeks strategic effectiveness and operational excellence, as well as the design and implementation of plans that meet the quotaholders' expectations.

The Executive Board collaborates with the Advisory Council and its committees in order to contribute to the development of high-impact projects for the company. The Executive Board comprises of 03 Statutory Officers (General Superintendent, Chief Agro Industry Officer and Chief Financial and Operating Officer), whose role is to help set the operational plan, according to the outlined strategy, committing to its execution. The members of the Executive Board are appointed by the Quotaholders Assembly for a three-year term, and may be reelected, as stated in the Articles of Incorporation.

The Committees support governance and are comprised of independent directors. The Performance Management groups support the committees by monitoring data and performance indicators. These are groups made up of management and other process leaders.

All our projects related to economic, environmental and social topics and any that are of great relevance and impact on the company's business undergo analysis, feasibility studies and approval by the Advisory Council, before being sanctioned by the General Quotaholders Assembly. After duly ratified by these instances, the Executive Board, led by the Chief Executive Officer, who is also a shareholder, works together with and/or delegates to the Statutory Officers the responsibilities and any other actions necessary for the progress of the projects. 102-20

ACCOUNTABILITY OF EXECUTIVE LEVEL POSITIONS AND FUNCTIONS FOR ECONOMIC, ENVIRONMENTAL AND SOCIAL TOPICS



WORKER INTEGRATION INTO DECISION MAKING

We have an internal communication system that addresses a wide range of matters of general interest, as well as social and environmental issues, in order to keep informed and engage our employees, including senior governance. 102-27

PERFORMANCE MANAGEMENT

Yearly, we carry out performance evaluation on 100% of employees, which is also applies to the Executive Board, through the internal tool RM (Personnel Management System). It is a 180° assessment, that is, it also includes a self-assessment, which helps to link the performance of managers to our business priorities. 102-28 | 103-3

COMMITMENT TO ETHICS

102-16 | 102-17

We have our values based on transparency, responsibility and ethical performance, inherited and followed to the letter by the torch-bearers of the work of the founder, Aurélio Nardini.

Mission

Produzir açúcar, álcool, energia e outros produtos derivados da cana-de-açúcar, respeitando o meio ambiente e gerando renda, bem-estar e satisfação aos seus clientes e colaboradores.

Values



Ambiental



Social



Econômico

Entrepreneurship

Developing actions with excellence and executing them with a focus on results

Teamwork

Coming together makes work easier

Constant innovation

Monitoring and investing in research and development in the industry

Respect for people

Against any type of discrimination, respecting the Declaration of Human Rights

Respect for the environment

Minimizing and offsetting the environmental impacts arising from the production process;

Occupational Safety

Developing preventive conduct with a focus on zero risk



Nardini's Mission, Vision and Values are highly diffused at all levels of the hierarchy and have been defined by the senior leadership team. They are measured by indicators, approved by the Executive Board, in order to monitor our performance against the challenges accepted.

We have a **Code of Ethics** that regulates the company's interactions with everyone we have a relationship with, which makes us responsible not only financially, but also socially and environmentally, for the advancement of all we impact.

We understand that ethical values and principles are the basis for our conduct and the foundation of our socioeconomic mission. They help tread the path of social responsibility and sustainable development, elements that contribute to the protection of the environmental, social and economic health of the region and the country and, essentially, the future of new generations.

In order to ensure the safety of our stakeholders, any disrespect or violation of the principles registered in the Code of Ethics, or the legal provision in force in the country, including any conduct in the workplace that may characterize sexual and/or moral harassment, can be reported through the Nardini Ombudsman channel. We guarantee that all information received will be processed in a confidential manner, within a reasonable time, with observation of ample defense and contradictory, ensuring the victim or complainant, exemption and protection from retaliation for the information that they report.



0800 006 6013

Service via PO Box from Monday to Friday from 8 am to 6 pm.
Saturdays, Sundays and holidays:

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CONFLICT OF INTEREST PREVENTION

102-25

Regarding the policies that prevent conflicts of interest, we highlight:

- **Selection Process for Successors:** potential candidates are analyzed by the People and Management Committee, Advisory Council, with the participation of the Executive Board, according to the Succession Policy for Senior Officers, which determines that candidates must not present circumstances that characterize a conflict of interest
- **Selection of Senior Officers:** in accordance with the Nomination and Filling of Board Positions Policy, potential senior officers must not have conflicts of interest and/or that violate their fiduciary duty as an officer
- **Related Parties:** Our Related Party Transactions Policy establishes that whenever a key person in the company's management has a conflicting interest with that of the company or its subsidiaries, they must no longer participate in the decision-making process

AWARDS AND ACKNOWLEDGMENTS

To us, recognition for any positive impact we may have on the society we are part of builds us up and makes us even more committed to the quality of our products and the improvement of our operations, through the pursuit for new technologies, our social and environmental commitment and the well-being of our employees.



• AGRO VISION BRAZIL AWARD

- 2015 - "Mechanized Harvesting" Category
- 2012 - "Achievement in "Bioenergy Highlight"
- 2012 - "Top 10 Industrial Managers in São Paulo state" Category
- 2012 - "Top 10 Brazil in the sugar and alcohol industry" Category
- 2011 - "Manufacturing Technological Innovation" Category
- 2010 - "Energy Generation and Cogeneration" Category
- 2009 - "Environmental Control and Preservation" Category
- 2007 - Achievement in "Sugar Production Technology"
- One of the 10 best mills in Brazil
- Achievement in "Agricultural Mechanization"



• PRÊMIO MASTER CANA SOCIAL

- 2020 - 3rd runner-up in the "Quality of Life" category, for the "Guidelines Manual against Covid-19" project
- 2017 - 1st place in the "Social Responsibility" Category
- 2016 - "Sustainability and Environment" Category, for the Nardini Evergreen project
- 2015 - "Entrepreneur of the Year" Category, for Riccardo Nardini
- 2014 - Runner-up in the "Quality of Life" Category
- 2014 - Runner-up in the "Valuing Diversity" category, for the Social Inclusion Project
- 2013 - "Community" Category, for the Aurélio Nardini Award
- 2012 - "Education and Culture" category, with the Nardini Evergreen Project and runner-up in the "Community" category, for the Aurélio Nardini Award
- 2011 - Finalist - "Community" Category, for the Aurélio Nardini Award
- 2010 - "Quality of Life" Category



• UNICA - BEST SOCIAL AND ENVIRONMENTAL PRACTICES 2012

Category 2: Quality Basic Education for All, for the Aurélio Nardini Award



CERTIFICATIONS AND SEALS

Pursuing the continuous improvement of our processes and guaranteeing the satisfaction of our customers, we are able to meet certain standards of national and global excellence, which assure the compliance, quality and safety of our activities and products.



GREAT PLACE TO WORK

Nardini recently received the Great Place to Work seal, recognizing us as an excellent company to work for.



BONSUCRO

We are certified by Bonsucro, which awards sustainable production of sugarcane and by-products.



RENOVABIO

The Renovabio attests to the efficiency of the ethanol production chain.



FSSC 22000

FSSC 22000 Food Safety Certificate, part of ISO 22000:2018, endorsed by the EU Food Industry Confederation (CIAA), and approved by the Global Food Safety Initiative (GFSI).



ISO 9001

Quality Certificate, which guarantees excellence and efficiency of our processes through the Quality Management System (QMS).



EMPRESA COMPROMISSADA

Seal, granted to sugarcane mills that comply with the "National Commitment to Improve Working Conditions in Sugarcane".



EMPRESA QUE EDUCA

Certificate (Company that Educates) by SENAC São Paulo, awarded to companies that invest in or support professional training activities for low-income youth.



EMPRESA AMIGA DA CRIANÇA

Friend of Children Company Seal, from the Abrinq Foundation, which mobilizes and recognizes companies that develop social actions for the benefit of children and teenagers, from 0 to 18 years old, community residents and/or employees' children, and who do not exploit their child labor.



ETANOL MAIS VERDE

Nardini is one of the signatory companies of the 'Protocolo Etanol Mais Verde' (Greener Ethanol Protocol), which consolidates the best sustainability practices in the sugar-energy production chain in the State of São Paulo.

- ✓ Agro-environmental Protocol Seal from the Environmental Statewide Department
- ✓ Citizen Company Seal, from the Catanduva Town Hall
- ✓ "Featured in Environmental Preservation 2011" Certificate, from the São Paulo state Environmental Journal



OUR PRODUCTS

102-2 | 102-6 | 102-7



GRANULATED SUGAR

Volume traded:

310,692
tons

Distribution:

Domestic
and foreign
markets

Resulting from the transformation of sugarcane juice into sucrose crystals of varying sizes, granulated sugar is a natural sweetener in a white to yellowish color



ANHYDROUS ETHANOL

Volume traded:

92.654
m³

Distribution:

Domestic
and foreign
markets

Anhydrous ethanol is water-free and known as dehydrated ethanol



DRY YEAST

Volume traded:

3,395
tons

Distribution:

Domestic
and foreign
markets

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



VHP SUGAR

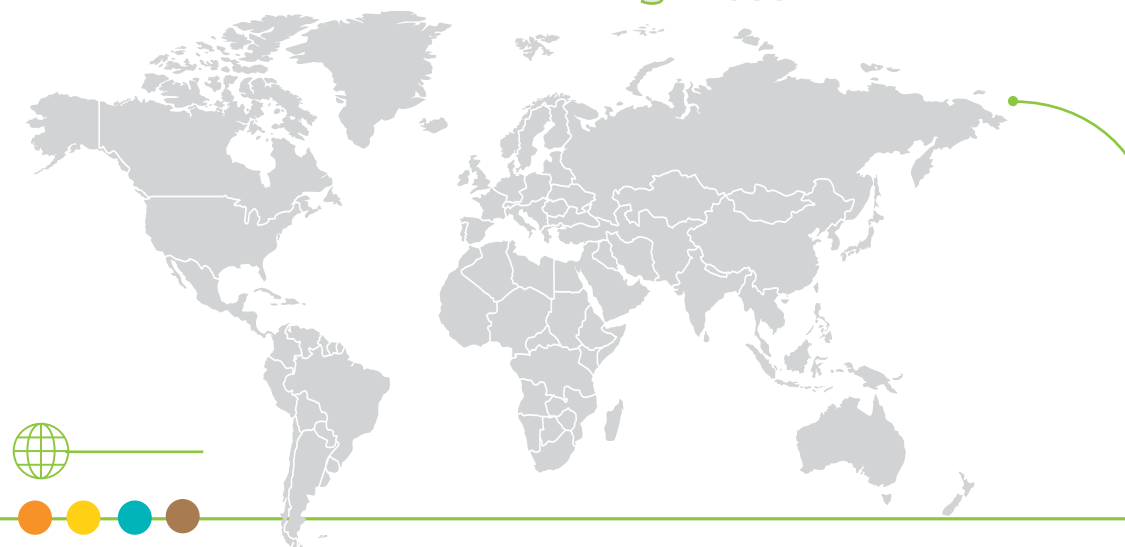
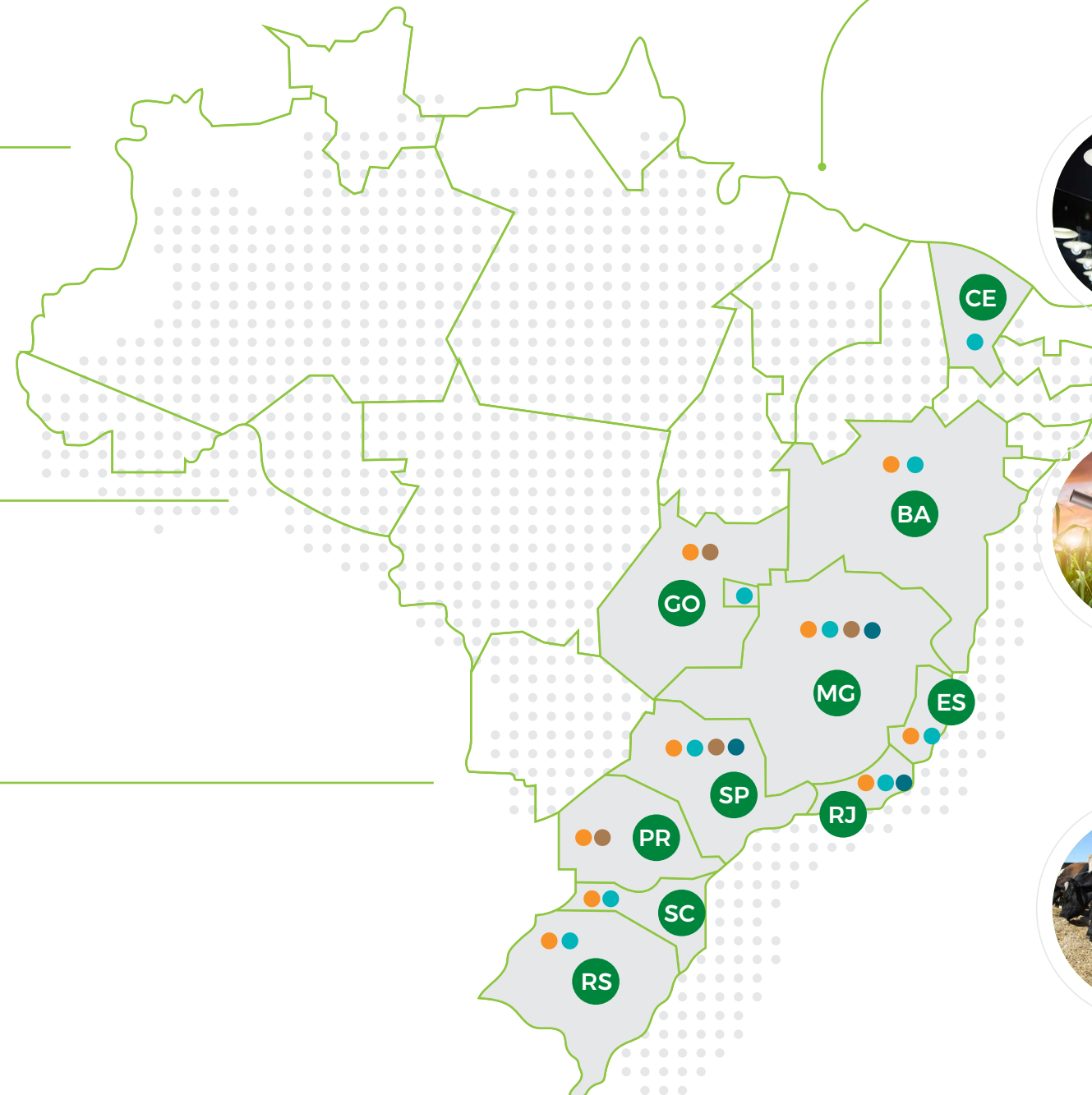
Volume traded:

71,358
tons

Distribution:

Foreign
market

Intended only for the foreign market and on gross composition, it allows our clients to make it into different types of sugar for consumption



ELECTRICITY

Volume traded:

175.350
MWh

Distribution:

Domestic
market

We generate renewable electricity from the co-processing of sugarcane bagasse



HYDROUS ETHANOL

Volume traded:

37.539
m³

Distribution:

Domestic
market

Serving the domestic market, we sell hydrated ethanol fuel used to power vehicles and industrial hydrated ethanol for the chemical industry



HYDROLYZED BAGASSE

Volume traded:

4.577,96
tons

Distribution:

Regional
domestic
market

A by-product of sugarcane processing, hydrolyzed bagasse is used as animal feed for nutritional supplementation, as it has a low caloric content



PEANUTS / SOYBEANS

Volume traded:

1.661
tons

Distribution:

Regional
domestic
market

The planting of peanuts and soybeans are part of crop rotation, a common practice on sugarcane plantation fields



2 7 8 9 12 17

OPERATIONAL PERFORMANCE

MATERIAL TOPIC

THE 2021/2020 CROP YEAR WAS THE BEST IN OUR ENTIRE HISTORY AND THE ENCOURAGING NUMBERS TELL THE STORY HAPPENED IN THIS LAST PERIOD.

Out of the 390,600 tons of sugar produced in the 2020/2021 crop year, 85.7% was common white sugar (granulated), and the other 14.3%, VHP sugar, which has a rawer composition. Sugar production was the focus of our operations in this period, with a 72.3% volume increase.

As a result, ethanol production was reduced by 23.7%. Even so, we achieved a total of 136,700 m³ manufactured. Ethanol also has two varieties in our production line, with anhydrous ethanol representing 61.4% of the total harvest and hydrous ethanol the other 38.6% of the total produced.

Electricity is also among our highlights. This crop year resulted in over 262 thousand MWh of renewable energy produced, from which 104 thousand MWh were internally consumed and 158 thousand MWh sold to the external market. Finally, yeast production also had a significant increase, 28% more during this harvest, compared to the previous one. The total produced was 3.39 thousand tons, made from excess yeast from ethanol production. 201-1

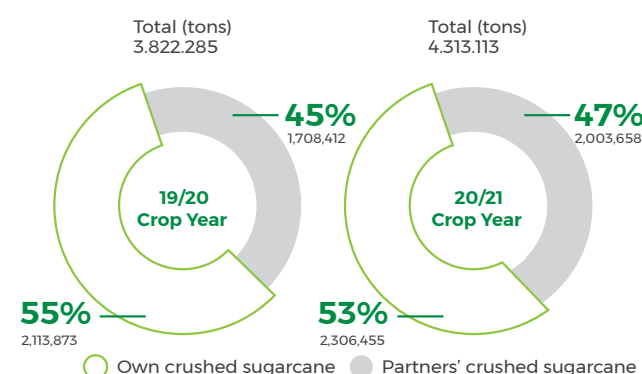
TOTAL PRODUZIDO*

	Unit	2019/2020 Crop Year	Safra 2020/2021 Crop Year	%
Sugar (Total)	t	226.7	390.6	72.3%
Ethanol	m ³	178.3	136.7	-23.3%
Electricity	MWh	243.0	262.6	8.1%
Yeast	t	2.7	3.4	28%

* amounts in thousands

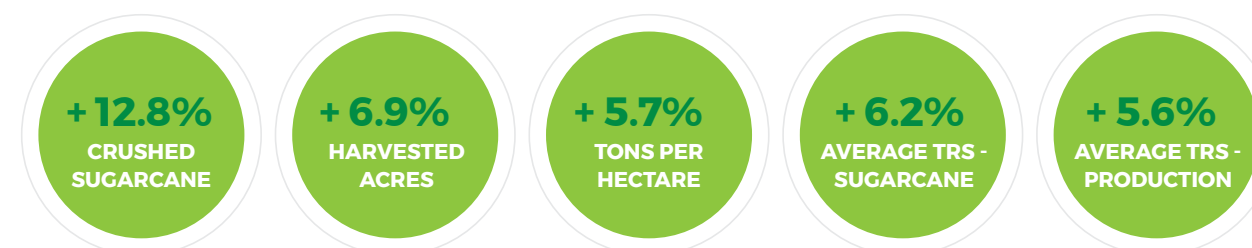
PRODUCTIVITY HIGHLIGHTS

Regarding productivity, the 2020/2021 crop year had the best result in history. We processed 4.3 million tons of sugarcane, a 13% increase compared to the previous harvest. Out of this total, 53% are from own cane crushing and 47% are from suppliers and partners. The increase in the proportion of third-party cane crushing contributed to reaching this mark, indirectly benefiting them. 201-1 | 203-2.



In the period, there was an improvement in agricultural productivity, measured by the ratio of tons of cane harvested per hectare produced, which totaled 89.2, representing 5.7% more than in the previous crop year. We also increased the number of hectares harvested, 6.9% more compared to 2019/2020. 201-1

Another productivity indicator highlighted in the crop year was Total Recoverable Sugar (TRS), which increased 6.2% in relation to sugarcane, and 5.6% in the average production value. The growth in crushing plus the average TRS for sugarcane resulted in a 19.2% increase in the total volume of TRS manufactured in the 2020/2021 crop year. This improvement in the situation is mainly due to the favorable climate during most of the crop year, and the better operational performance, such as the use of milling time and industrial yield. 201-1 | 201-2



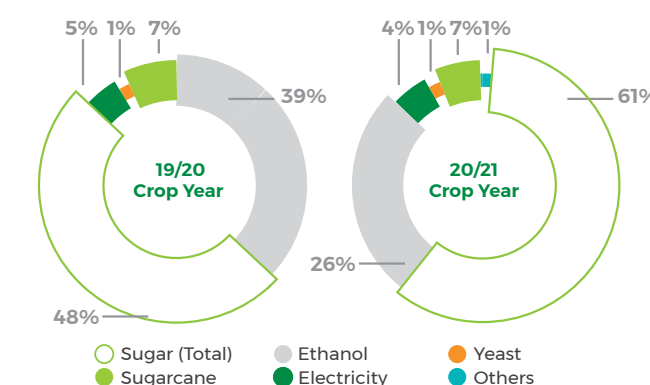
GENERATING RESULTS

THE FOCUS GIVEN TO SUGAR PRODUCTION MADE THIS PRODUCT RESPONSIBLE FOR MORE THAN HALF OF THE REVENUE GAINED IN THE 2020/2021 CROP YEAR.

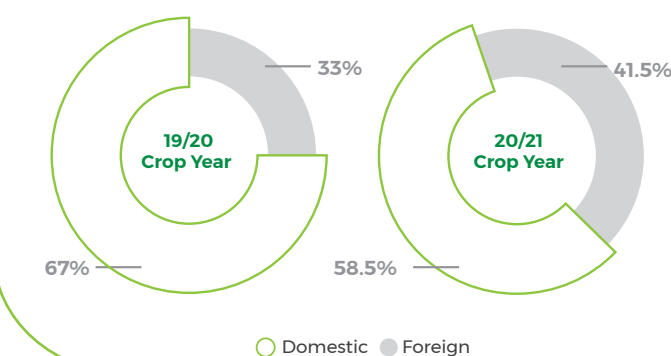
The macroeconomic context of the period was favorable to sugar production, unlike the previous crop year, in which almost 50% of revenue was from the production and sale of ethanol. The distribution of sales between the domestic and foreign markets also performed differently from the previous period, strongly influenced by the international scenario. In the last crop year (2019/2020) the proportion was 33% for the foreign market and, in this one it, grew to 58.5%, replacing the domestic market as the sales focus. 201-1 | 201-2 | 203-2.

These results are directly connected to our risk management, combining some analysis factors, such as bad weather, and fluctuations in the sale and purchase prices of inputs. This strategy allows us to identify the possible risks for each crop year, as well as ways to mitigate them, always in line with our Executive Board and Advisory Council. In the 2020/2021 crop year, the strategy adopted met the demands of the international picture and the favorable weather conditions, and the risks were turned into opportunities we seized. 201-1 | 201-2 | 203-2.

REVENUE BY PRODUCT



DISTRIBUTION OF SALES REVENUE BY MARKET

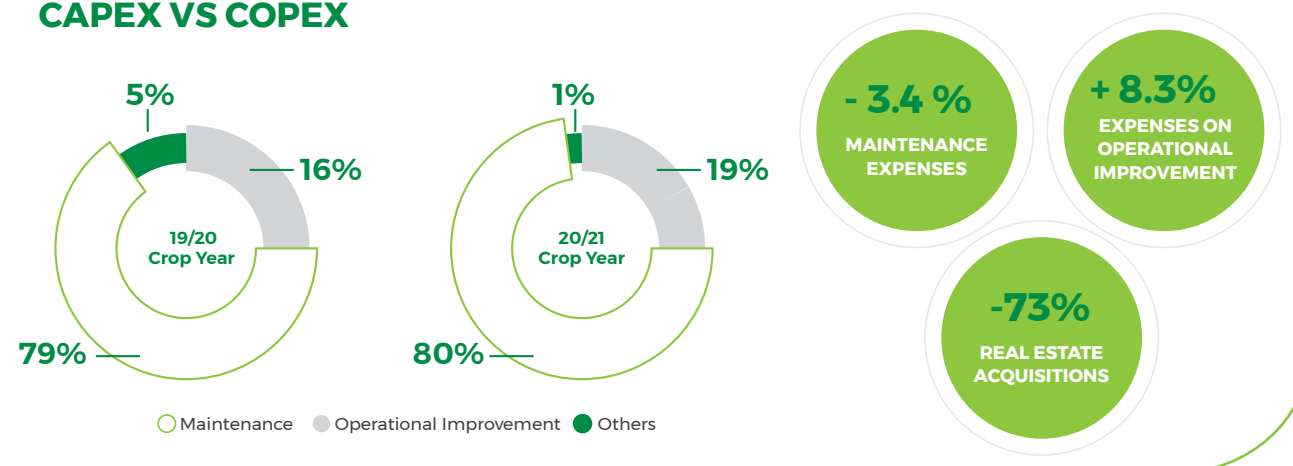


OPERATING COSTS AND INVESTMENTS

It is important to contemplate the future of our operations, which is why we keep a cycle of investments in ongoing improvement of our agricultural and manufacturing facilities. This strategic planning of our day-to-day leads to the solid and sustainable growth of our operations.

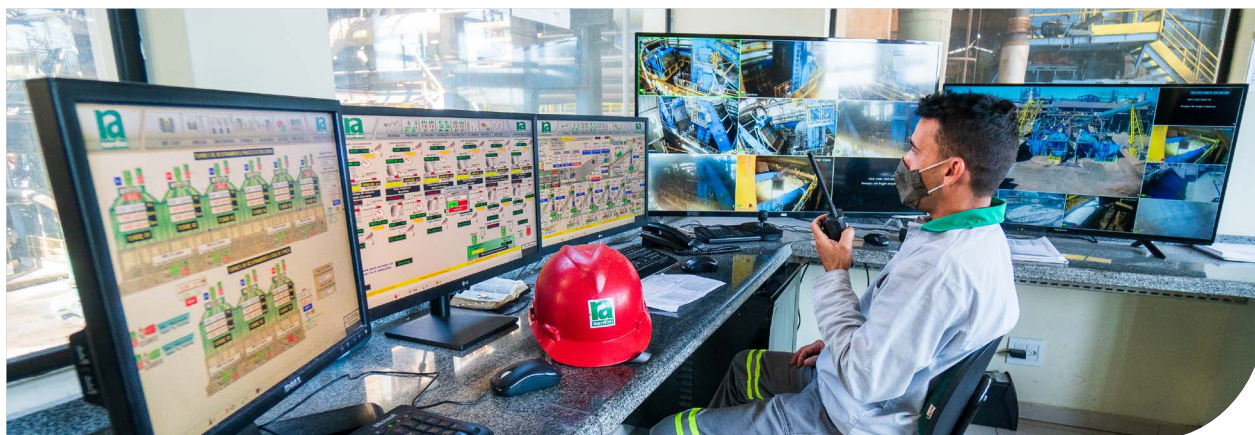
We have a careful management of CAPEX and OPEX during each crop year.

COMPARATIVE DISTRIBUTION: CAPEX VS COPEX



In 2020/2021, we had a 3.4% maintenance costs reduction and a 73% reduction in property acquisition. It is also worth noting that we increased investments in the improvement of our operations by 8.3%, mainly directed to the purchase of fixed assets, such as machinery and equipment for our industrial line. In the agricultural sector, we invested, among others, in acquisitions and improvements in our fleet of tractors and vehicles and machinery for harvesting sugarcane.

As we intensified the crushing of third-party sugarcane, investments in manufacturing improvements received a strategic focus. Because of that, the acquisition of new properties to expand cultivation was reduced in the period. In addition to investments, we also opt for practices that aim to lower environmental impacts, adding further value to our production and setting apart our performance.



FIELD INNOVATIONS AND SOIL CONSERVATION PRACTICES

MATERIAL TOPIC

Regarding the productivity of sugarcane cultivation, weather comprises approximately 50% a sugarcane field's planting and care. The other 50% corresponds to management, technology, maintenance and investment factors in general.

Considering planting practices, crop rotation is carried out with peanuts, soybeans and sunn hemp, which benefit soil conservation and promote greater species diversity, that is, greater sustainability in agricultural production. The pursuit of constant innovation is part our values. Therefore, Nardini incorporates new products, methodologies and technologies in its strategic management. We have a Multisectorial Innovation Committee that brings together leaders from each area of the company, including the PMO (Project Management Office) and the Executive Board, to search, present and evaluate new opportunities. After prioritization, the monitoring of ongoing activities is assessed in monthly meetings with presentations, sharing of the achieved results and even live demonstrations.

The GENIO4.0 Project foment opportunities for operational improvements with the use of technologies, focused on Automation and Digital Transformation – the Gen 4 Revolution. We monitor, assess and develop new work and management methods, and, also, new technologies to be used (implementation, tests, pilot projects, success stories, etc.), as well as the benefits of each agricultural process.

SELECT AUTOMATION AND INNOVATION PROJECTS



DRONE PROJECT

Remote sensing is carried out using unmanned aerial vehicles, enabling several analyzes of planialtimetric mapping with high precision and spatial resolution: dimensions, orthomosaic and water flow with a 3D demonstration area, anthill detection, weed mapping, etc. It is possible to make diagnoses, generating planting quality reports.



SISTEMATIZATION OF CULTIVATION AREAS

We adopted a multifunctional tool that allows the interpolation of the land, through GPS-RTK and software, able to carry out relief studies, resulting in analysis of the location of contour lines and trails in strategic locations for the physical and soil conditions. Such techniques provide several benefits, such as reduced water flow speed, better soil infiltration and less possibility of silting of rivers and springs, which also improves trafficability for harvesting.



VINASSE FERTIGATION

Investment in studies and tests to improve fertigation with vinasse enriched with nitrogenous mineral fertilizer to complement nutrients and localized application with a georeferenced system. The monitoring of application rates by area is done through an app (BI), which also indicates the amount of planned trips per area in real time and soil analysis.



ECONOMIC AND FINANCIAL RESULTS

MAIN HIGHLIGHTS

The 2020/2021 crop year was historic: the company reached record numbers. The excellent result we obtained is a reflection of a management committed to the excellence of its operations, who knew how to take advantage of the opportunities in the industry, ensuring the solidity of our accounts and prosperity for the business.

The numbers present a positive performance in all the main indicators, with expressive growth in revenues and, mainly, in results. These increases are due to the rise in sugar prices during the period, sugar being is the main product made during the crop year. The high international demand was also decisive for the good performance achieved.

The cash balance, available at the end of the crop year, was a highpoint in the period, representing security and liquidity for the business. Good management and balance of equity and debt are also relevant factors for the result. The purchase and sale of assets during the period brought an increase in revenue from discontinued operations.

The crop year ended with a significant reduction in indebtedness, around 60 million less, compared to the previous one. Our indebtedness is characterized as relatively long-term, with an expected settlement in up to five years, and basically comes from investments in the operation, from bank loans and export credits.

With the results of this crop year, we now have a higher value company, giving greater return to its quotaholders, and, consequently, to society. Our numbers bring security to clients and suppliers and show the company's resilience in the face of business seasonality.

+ 29.5%
GROSS
REVENUE

+ 37.7%
NET
REVENUE

+ 35.3%
EQUITY

- 12.1%
NET
DEBT

+ 147.2%
OPERATING
PROFIT

+ 232.9%
NET
INCOME

+ 40.8%
ADJUSTED
EBITDA

+0.88
LEVERAGE NET
DEBT / EBITDA

ECONOMIC VALUE GENERATED AND DISTRIBUTED

We understand how our decisions and strategies impact the economic value we generate, as a company, and for our stakeholders. Therefore, we uphold the responsibility to act, regarding business practices, only in full compliance with laws, regulations and our own standards.

Our commitment during this crop year was reflected in the solid financial performance when compared to the previous one (2019/2020) and this is exactly how we pursue strategic and sustainable growth in the long term. 201-1.

We are important players in local and regional trade, creating jobs and affecting more than 20 towns. We have a strong sense of contribution to society and we are careful to support them in the best possible way, especially in the delicate moment of the Coronavirus pandemic. 203-1

	2019/2020	2020/2021	Variação (%)
Revenues	R\$ 802,590	R\$ 1,039,566	30%
Materials and services bought	R\$ -628,502	R\$ -699,944	-11%
Gross added value	R\$ 174,088	R\$ 339,622	95%
Depreciation and other expenses	R\$ 153,303	R\$ 160,326	5%
Net added value	R\$ 327,391	R\$ 499,948	53%
Income from investments and subsidiaries	R\$ 10,527	R\$ 5,343	-49%
Added value	R\$ 337,917	R\$ 505,291	50%
Distribution of added value	0	0	-
Salaries, wages and other employment costs	R\$ 119,136	R\$ 118,594	0%
Taxes	R\$ 74,630	R\$ 82,606	11%
Interest and rent	R\$ 82,271	R\$ 99,622	21%
Equity remuneration	R\$ 61,821	R\$ 204,414	231%
community	R\$ 59	R\$ 55	-7%





TAX COMPLIANCE POLICY

207-1 | 207-2 | 207-3

We have the Tax Department, under the responsibility of the tax coordinator, reporting to the Chief Financial and Operating Officer, in charge of compliance with our business's tax strategy.

The tax approach monitoring, risk reports and other tax-related content are worked on in the monthly meetings of the company's Tax Committee and General Risk Committee, mapping out the low, medium and high risk levels, action plans and their deadlines.

We hold operational meetings with the committees. They are organized by the managers of the strategic departments alongside the Executive Board and the most relevant matters are submitted to Corporate Governance, comprised of three Executive Committees, managed by external advisors named: **CFAR (Finance, Audit and Risk Committee)**; **CEAI (Agro-industrial Efficiency and Innovation Committee)** and **CG&G (People and Management Committee)**. At all meetings, the company's Executive Board is present, keeping the strategy alignment within all levels of the company.

We recently went through a fiscal diagnostic analysis of the last 5 years, with the help of an outside firm, further ensuring the compliance of our operations in the fiscal sphere. 207-2

The tax approach is in line with the company's business and sustainable development strategies, as the department is focused on mitigating risks and maximizing opportunities to generate added value in the calculation and payment of taxes, an extremely sensitive issue for success and permanence the company's business, due to the high complexity of the Brazilian tax system.

Our commitment focuses on serving key people who are involved in all operations that impact our taxation system, whether within the department itself through alignments and daily meetings, or with other internal departments of the company. We have great integration with tax study groups focused on agribusiness, where we actively participate in meetings, research teams and benchmarking with other companies in the industry.

Our fiscal and tax team is prepared and always seeks excellence in serving clients and suppliers, internal and external, and prioritizes a good relationship with tax authorities at all hierarchical levels, a fact that can be evidenced with a maximum rating in the Program "Nos Conformes" (In Conformity), as well as the fact that the company is part of a select group of São Paulo taxpayers who are included as participants in the Transition Phase of the GIA* Elimination Project.

TAX INCENTIVES AND BENEFITS 201-4

We are enrolled in the PRODUIR Program, which is an initiative of the Goiás State Government to encourage the implementation, expansion or revitalization of manufactures, incentivizing investment, technological upgrade and making the state industries more competitive with an emphasis on creation of jobs, income and reducing social and regional inequalities. Being aided by this program means having the benefit of financing a monthly installment of ICMS (Value-Added Tax on Sales and Services). This makes the production cost cheaper and, the products, more competitive in the market. However, the 2020/2021 crop year did not rely on this financial aid, given the fact that the Aporé unit does not yet produce ethanol.

In the São Paulo state, we have the following tax benefits:

- Deferral of ICMS (Value-Added Tax on Sales and Services) on Anhydrous Ethanol shipments to Distributors accredited by the National Petroleum Agency (ANP)
- Reduction of the ICMS tax base on internal operations within the state for the sale of crystal or refined sugar (part of the Cesta Básica, a list of basic food staple items defined by the government).
- Non-levy of ICMS on the departure of goods destined abroad
- Regarding Federal Government subsidies, we rely on the measures established by law due to the COVID-19 pandemic:
- Deferral of FGTS (Severance Indemnity Fund for Employees) deposit
- Reductions in social security contribution rates
- Sales of the production and retention on the acquisition of raw material from individuals
- Temporary suspension of the employment contract of employees with comorbidities, pregnant women, apprentices and employees over 60 years old

In relation to federal tax benefits, it is worth highlighting:

- Zero rate on PIS (Social Integration Program) and COFINS (Social Contribution on Revenues) contributions levied on sales revenue in the domestic sugar market, as well as on purchases of fertilizers, pesticides, soil correctives and inoculants.
- Special Regime for Tax Reintegration for Exporting Companies (REINTEGRA), which aims to partially or fully return the remaining tax refunds in the production chain of exported goods, which corresponds to 0.1% of export revenue.
- Zero tax rate of IPI (Taxes over Industrialized Products) levied on the domestic sugar market and non-taxation of ethanol destined for fuel.
- Use up to 60% of the sum of expenditures made in the calculation period on technological research and development of technological innovation, which can be written off.
- Tax immunity on export earnings. Non-levy of PIS and COFINS and tax immunity from social security contribution on revenue.



RISK MANAGEMENT

We have a Risk Management Policy applicable to all areas and where the criteria for identification, analysis, handling and monitoring of risks are defined and put in practice when assessing both the internal and external contexts.

It is the role of the Executive Board to analyze the market, anticipating possible impacts, in order to assist in decision-making. All events, whether internal or external, related to the Company's business strategies and objectives are mapped and monitored to ensure that any risk materialization that may occur is known and managed at an acceptable level. The risks defined as priority and their respective action plans are monitored by the Executive Board and Advisory Council. 102-11 | 102-29

Critical concerns are formally communicated and discussed at Executive Board meetings with the Advisory Council and, subsequently, with

quotaholders, and are addressed urgently in decision-making. The meetings of the Executive Board, Advisory Council and Quotaholders Assembly are recorded in the minutes. 102-33 | 102-34

The Executive Board is responsible for planning and operationalizing effective risk management and an effective internal control system, with regard to economic, environmental and social aspects, including, when necessary, the adaptation of policies and procedures, in order to guarantee that Nardini can achieve its goals. All of these functions are performed under the supervision of the Advisory Council. 102-30

Meetings are held to address economic, environmental and social topics, as shown below. Urgent issues are dealt with in extraordinary meetings. 102-31

Topic	Frequency	Participants
Economic	Monthly	CFAR Committee
	Monthly	Financial M&P
Environmental	Monthly	Agro-Industrial M&P
	Quarterly	Environmental Committee
Social	Bi-monthly	People and Management Committee
	Monthly	People and Management M&P

KEY IMPACTS, RISKS AND OPPORTUNITIES

102-15 | 205-1

Nardini is subject to the following risks: climate, environmental, market with strong positive and negative fluctuations in commodity prices, inflation, interest rate (Selic) risks, risks in policy change that interfere with free market price practices from fuel to the final consumer, risk of changing the ratio of ethanol in the composition of gasoline.

With the backing of a specialized consultancy and following good business mapping practices, we identify our main risks, as well ways of monitoring and mitigating them. They were laid out in a matrix,

with respective action plans and attribution of responsibility to specific managers.

Risks are reported to management at periodic follow-up meetings, including information about the actions taken.

This practice is intended to maintain the Company's sustainable operations.

Risks are classified by severity into high, moderate and low, in the operational, financial and strategic

LOW

Risk of unethical conduct and fraud	Strategic Risk
Tax and fiscal risk	Financial Risk
Revenue generation risk	Financial Risk
Cash flow management risk	Financial Risk
Domestic interest rate risk	Financial Risk

MODERATE

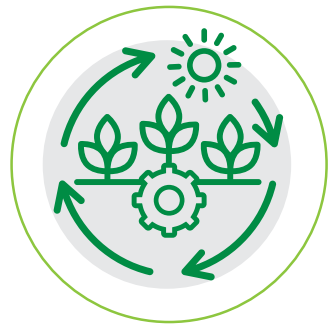
Business discontinuity risk	Strategic Risk
Risk of property damage and physical integrity	Operational Risk
Technological lag risk	Strategic Risk
Risk of sugarcane shortage due to lack of synchronism	Operational Risk
Risk of explosion and fire	Operational Risk
Sustainability risk and corporate responsibility	Financial Risk
Risk of non-adherence to norms and rules	Financial Risk
Risk of non-compliance with sales commitments	Financial Risk
Crisis Management Risk	Financial Risk
Infrastructure and logistics risk	Operational Risk
Quality risk (non-conforming products)	Strategic Risk
Regulatory risk	Operational Risk
Reputation and image risk	Operational Risk
Sabotage risk	Operational Risk
Risk of loss of talent	Strategic Risk
Risks with privacy and data security	Operational Risk
Input shortage risks	Strategic Risk
Business data and information risk	Strategic Risk
Third-party management risk	Operational Risk
Risk of inadequate financial statements	Financial Risk

HIGH

Image and trust risk (corporate governance and transparency)	Strategic Risk
Risk of insolvency of related parties	Financial Risk
Risk of low sugarcane productivity	Operational Risk
Market, competition and competition risk	Strategic Risk
Credit exposure risk (limits)	Financial Risk
Risk of plant / process downtime	Operational Risk
Foreign exchange exposure risk	Financial Risk
Risk of work-related injuries	Operational Risk
Risk of unavailability of servers and peripherals	Operational Risk
Sugarcane supply risk	Financial Risk



FUTURE PLANS FOR RISK, ISSUE, AND OPPORTUNITY MANAGEMENT



1

OPERATIONAL STRATEGIES:

culture rotation, process systematization, high performance of teams



2

MARKET STRATEGIES:

definition of storage periods vs. product flow in order to capture better market prices



3

DYNAMIC MANAGEMENT:

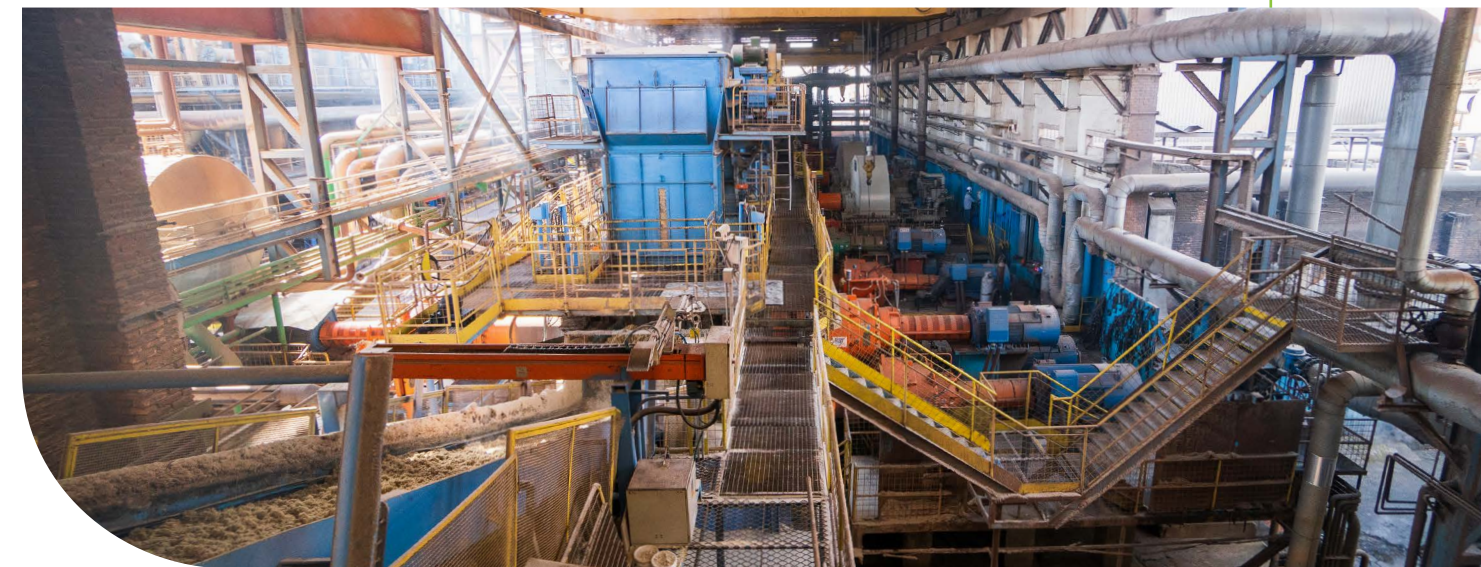
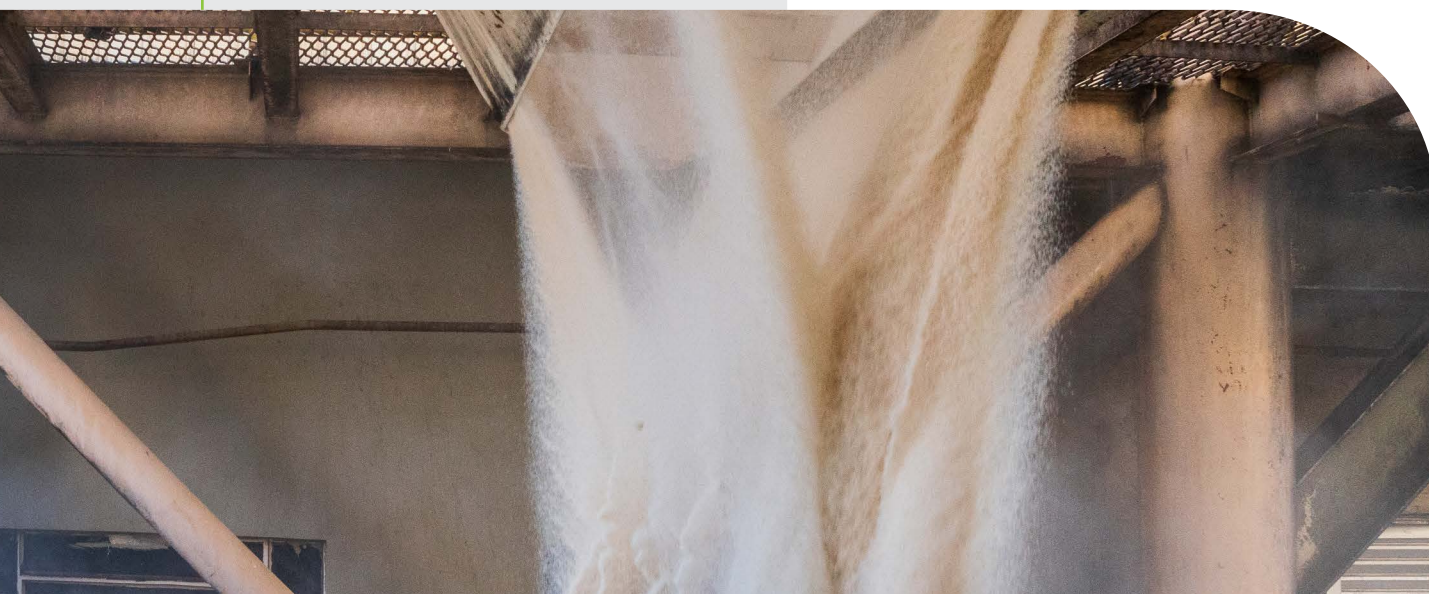
taking advantage of opportunities for flexibility/ adaptation of the production mix between sugar and ethanol



4

VALUING EMPLOYEES:

with a keen eye on people and management





SUSTAINABILITY AND ENVIRONMENTAL COMPLIANCE POLICY

307-1

MATERIAL
TOPIC

For us, Sustainability, Management and Environmental Compliance are strategic issues.

We want to promote the preservation of the environment and, consequently, of nature and biodiversity, knowing that, at the same time, we reduce direct and indirect costs.

We are motivated and committed to creating more and more sustainable solutions, such as the generation of electricity from biomass and biofuels that contribute to reducing greenhouse gas emissions.

The Environmental Management Plan is the instrument used to comply with Environmental Legislation and to develop practices and procedures for monitoring, mitigating and, when possible, eliminating the main environmental impacts related to the development of production processes.

We adopt **a set of management and monitoring activities and tools**, aiming at the **continuous improvement of our environmental performance**. In addition, we seek to contribute to the formation of our employees as conscious citizens, sensitive to environmental issues.



Compliance with Environmental Legislation is assessed through targets and indicators for each of the specific programs. Using the LegNet software as a tool, our collaborators constantly monitor updates on the legislation applicable to our activities.

PROGRAMAS DE GESTÃO AMBIENTAL

BIODIVERSITY & ECOSYSTEM SERVICES



Wildlife Monitoring

Monitoring of
Native FloraMonitoring of
Reforested Areas
and RestorationNoise
Management

SOIL CONSERVATION

Vinasse
Application PlanSoil Preparation
and Planting
ProceduresReduction
of Artificial
FertilizersFighting
Fires of Unknown
Origin

ATMOSPHERIC EMISSIONS

Monitoring of
Atmospheric
Emissions from
ChimneysDiesel
Consumption
MonitoringECO-AIR
PROJECT

WATER RESOURCES MANAGEMENT

Surface Water
MonitoringGroundwater
Monitoring

INPUTS AND CHEMICALS

Reduction of
PhytosanitaryProducts
Chemicals
Reduction

ENERGY

Energy
Efficiency

SOLID WASTE MANAGEMENT

Solid Waste
Management



CLIMATE CHANGE AND DECARBONIZATION EFFORTS

13

Climate change triggered by human action is increasingly noticeable and causes severe adverse effects in all spheres of life on the planet. In August 2021, the Intergovernmental Panel on Climate Change (IPCC) published its sixth assessment report (AR6), providing solid scientific evidence on the breadth of present and future environmental impacts. Throughout the 21st century, the intensification of climate change will accentuate the trend of loss of biodiversity and compromise several ecosystem services.

Agribusiness is intrinsically related to the effects of global climate change. Issues such as water stress or changes in rainfall patterns can have significant impacts on the results of a crop – making productivity vulnerable to such aspects. At the same time, companies in the sugar-energy industry present themselves as solid agents in the efforts to mitigating greenhouse gas emissions, in light of the many emission reduction opportunities in their chain.

Energy from sugarcane biomass is an important strategy in the scenario of decarbonization of the energy matrix, with renewable generation, both of electricity and biofuels (ethanol).

The bet on the electrification of the energy matrix is intrinsically related to a mix of renewable sources, which places the sugarcane industry at the forefront of the energy transition, through the use of bagasse for cogeneration. 8.4% of Brazilian electricity today comes from this source and its share is expected to grow. At Nardini, we have invested in energy cogeneration since 1994, and in the 2020/2021 crop year we produced approximately 1.2 million MWh.

In the transport sector – the biggest energy consumer in Brazil – there is a strong trend towards electrification and intensification of the use of biofuels and hydrogen. Low-emission fuels are essential where energy needs cannot be affordably met by electricity. Ethanol is, therefore, one of the agents capable of promoting sustainable and low-carbon mobility, being an excellent option for hybrid/flex electric cars.

Biofuels are strategic for complying with the Brazilian NDCs¹, in the pledge to reduce emissions by 43% by 2030 and to go carbon-neutral by 2060. **RenovaBio**, a program that is part of the National Biofuels Policy (Law n° 13.576/17), was created to encourage the production of biofuels in the country and entered into force at the end of 2019.

One of the instruments for implementing **RenovaBio** is the Decarbonization Credit (CBIO), an asset issued by fuel producers and importers (primary emitters), attesting that one ton of equivalent CO₂ is no longer emitted into the atmosphere as a result of the production and use of ethanol.

We were certified by the RenovaBio Program in February 2020. Our fuels have an environ-mental energy efficiency rating of 63.9 for anhydrous ethanol and 63.5 for hydrated ethanol. In the 2020/2021 crop year, 175,059 CBIOs were issued and sold. 305-4

CBIOs are currently traded on the stock market (B3) and must be purchased by fuel distributors, but not only by them. The CBIO market has great growth potential and should mature, becoming attractive to investors in general.

1 - Nationally Determined Contribution (NDC) are the commitments made by signatory nations of the Paris Agreement to collaborate with the global goal of reducing greenhouse gas emissions

MATERIALS AND WASTE 301 | 306

12

ECO-EFFICIENT MATERIALS AND CONSCIOUS CONSUMPTION

We have two programs for the reduction of Chemical and Phytosanitary products, in which we set targets to reduce the specific consumption of chemicals, such as sulfur and sulfuric acid. We aim to use more efficient products and new technologies, in addition to the annual reduction in the use of agrochemicals, always employing registered products, and not on the Persistent Organic Pollutants (POPs) list. As a result, even with the increase in sugarcane crushing, we had a reduction of 11.1% in the consumption of agricultural and industrial inputs. 301-1

As for our primary raw material, sugarcane, in the 2020/2021 crop year we had an increase of around 13% in the amount of cane processed in relation to the previous harvest, keeping the proportion of approximately 55% of cane being our own.

MOVING TOWARDS AN EFFICIENT AND CIRCULAR SUPPLY CHAIN 306-1 | 306-2 | 306-3 | 306-4 | 306-5

The sugar-energy sector stands out among other agribusiness sectors for the circularity of its processes: there is recycling of nutrients with the use of organic waste and energy use.

At Nardini, the sugarcane harvested in the field through mechanization manner is processed in the manufacturing unit, generating the main products, ethanol and sugar. However, some by-products and process residues are recycled or reused:

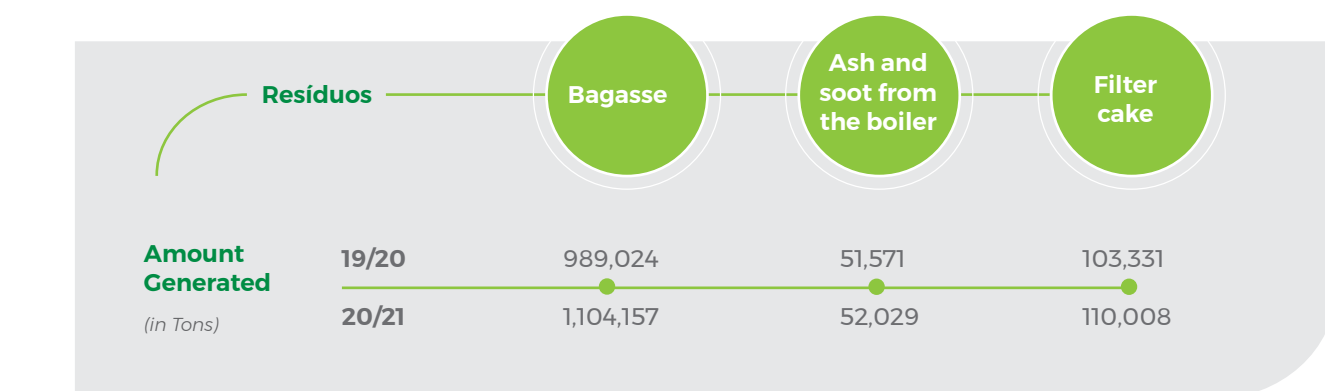
- The filter cake², soot and ash³ are sent to compost, producing organomineral fertilizer used in sugarcane plantation and reform areas.
- The bagasse resulting from sugarcane crushing is burned in boilers, generating electricity. In addition, part of the bagasse is hydrolyzed and sold to be used as an animal nutritional supplement.
- Vinasse⁴, a by-product of the fermentation of sugarcane, has substantial levels of potassium and organic matter and its application in the field has several advantages, favoring the productivity of crops

306-1 | 306-2

2 - The filter cake is the residue from the sugarcane juice clarification process, where rotary vacuum filters are used to recover the sucrose contained in this filtered juice.

3 - The soot is the result of washing the gases from the chimneys and the ash is the result of the burning of bagasse in the boiler.

4 - Vinasse is the residue resulting from the fractional distillation process of fermented sugarcane juice for the manufacture of ethanol.



We have centers for the temporary storage of solid waste, for subsequent proper disposal. All sectors have selective collection, with bins identified by type of waste to segregate them, as well as condition them until collection.



In the 2020/2021 crop year, 84 tons of hazardous solid waste were generated, collected and disposed of by a certified company. Household waste is generated at a rate of approximately 550 kg/day, is collected daily and sent to the municipal landfill. 306-3

Waste by type and disposal method - in tons	2019/2020	2020/2021
Hazardous waste		
Landfill	89	84
Non-hazardous waste		
Reuse	0.00	0.00
Recycling	116,025	128,999
Compost	148,835	146,231
Underground injection	0.00	0.00
Landfill	0.00	0.00
Onsite storage	0.00	0.00
Total	264,860	275,229

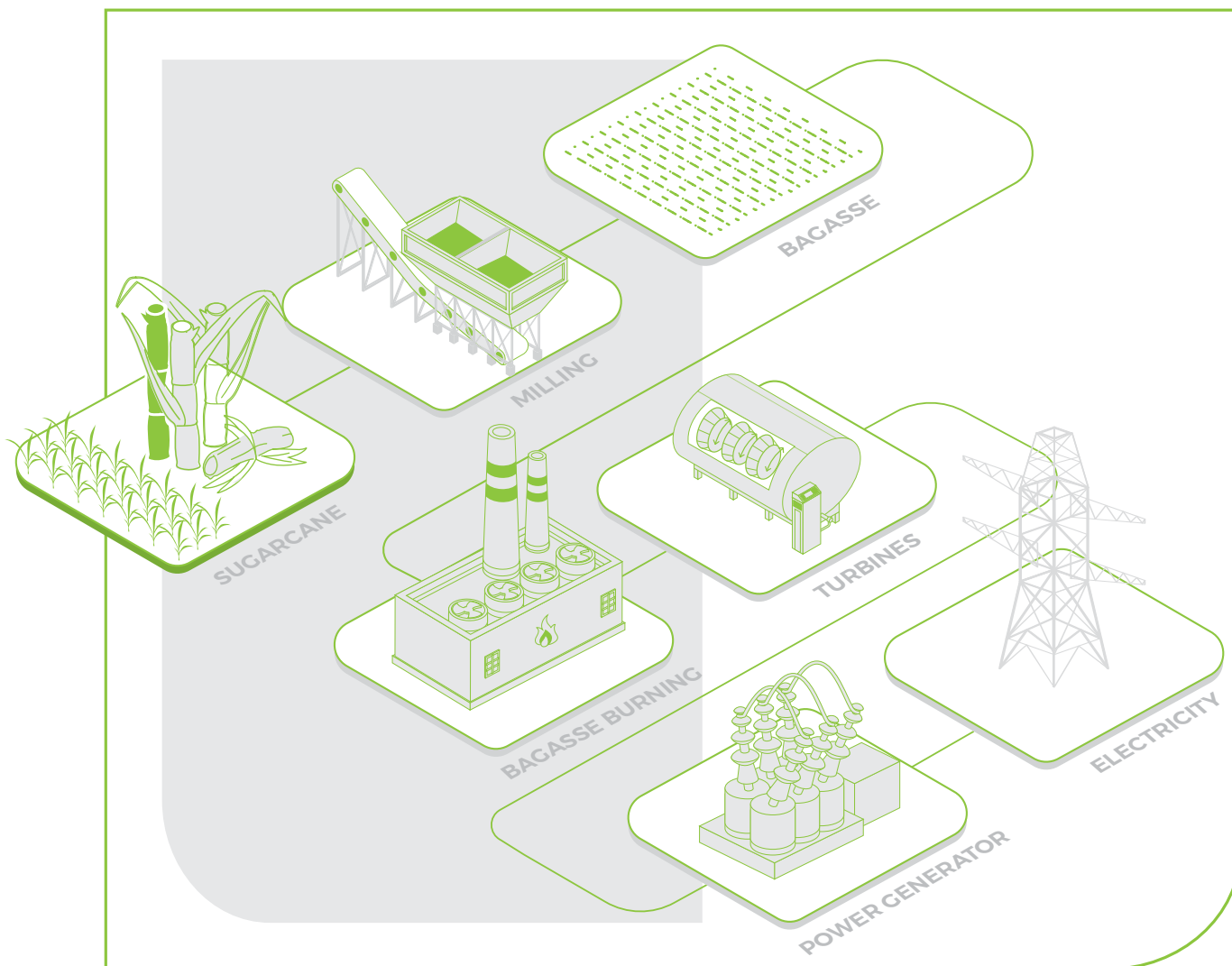
100% of waste is reused, recycled or properly disposed of in landfill. 306-4 | 306-1

EFFICIENT AND RENEWABLE ENERGY

302-1 | 302-3 | 302-5

MATERIAL
TOPIC

Sugarcane bagasse is used for energy generation, as it supplies boilers for steam production. Currently, Nardini operates four boilers, totaling 530 tv/h.



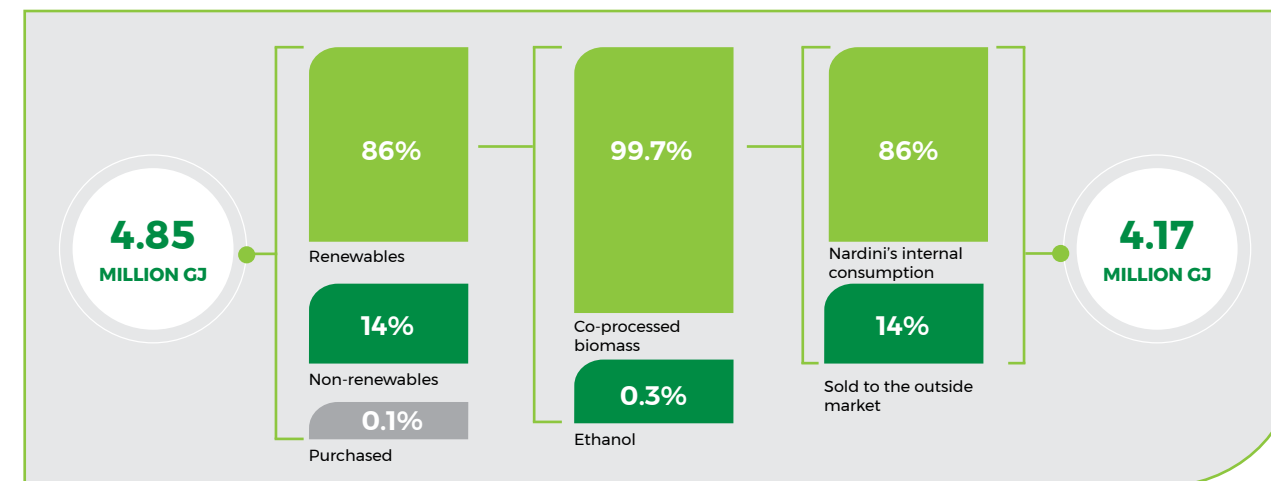
The steam generated spins the turbines of mills and turbo-pumps and drives the turbines of generators that transform mechanical energy into electricity. The electricity generated by steam is used for our own consumption and we sell the excess to the local electricity concessionaire. That means, we produce and use renewable energy.

In the 2020/2021 crop year, only 14% of the energy used in Nardini's processes came from burning fossil fuels (Diesel Oil, Gasoline and LPG), the other 86% came from renewable sources (Biomass and Ethanol) and 0, 2% of electricity was purchased from the local concessionaire to supplement consumption. There was no big discrepancy compared to the previous crop. 302-1

Furthermore, out of the total energy generated from burning biomass (4.17 million GJ), 14% was sold by CEN (Companhia Energética Nardini / Nardini Energy Company), which equals 157,980 MWh.



NARDINI'S ENERGY GENERATION AND CONSUMPTION



Considering electricity generation in relation to the amount of processed sugarcane, we have an energy intensity of 1.12 GJ/tC, a 12% improvement over the previous crop year. 303-3

As part of our environmental management, we have an energy efficiency program that aims to monitor and reduce energy consumption. We do the daily control of energy consumption per ton of sugarcane using the GAtec system. The reductions in energy consumption and improvement in energy intensity observed from the 2019/2020 to 2020/2021 crop years are the result of these actions, indicating operational and behavioral changes in the company. 303-4

ENERGY INTENSITY RATIO

302-3

	Safrá 2019/2020		Safrá 2020/2021		Variação (%)	
	Consumption (GJ)	Energy Intensity (GJ/tC*)	Consumption (GJ)	Energy Intensity (GJ/tC*)	Consumption	Intensity
Diesel	624,210	0.16	662,073	0.15	6%	-6%
Gasoline	322		316		-2%	
LPG	1,968		1,751		-11%	
Non-renewables Subtotal	626,500		664,140		6%	
Ethanol	10,948	1.11	11,594	0.97	6%	-13%
Biomass	4,225,749		4,169,413		-1%	
Renewables Subtotal	4,236,697		4,181,007		-1%	
Energy purchased for consumption	8 521	0.002	6 878	0,0016	-19%	-28%
Total	4,871,718	1.27	4,852,025	1.12	-0.4%	-12%

* Consumption in GJ divided by ton of crushed cane



WATER AND EFFLUENTS

303-1 | 303-2 | 303-3

MATERIAL TOPIC

Water is a scarce natural resource and essential for agriculture and the manufacturing process. Therefore, we constantly invest in actions and efforts to reduce consumption, targeting at better water conservation and quality, as well as its rational use. In compliance with environmental legislation, we withdrawal surface and underground water resources. 303-1



Nardini's area of direct influence (ADI) partially encompasses the territories of 4 hydrographic basins (Water Resources Management Unit - UGRHI): Mogi Guaçu (UGRHI 9), Baixo Pardo/ Grande, (UGRHI 12), Turvo/ Grande (UGRH 15) and Tietê/ Batalha (UGRH 16), containing 6 (six) aquifers, namely: the Serra Geral Aquifer, the Guarani Aquifer, the Tubarão Aquifer, the Bauru Aquifer, the Passa Dois Aquifer and the Pre-Cambrian. For the operation of Nardini Agroindustrial sector, 5 (five) underground and one superficial wells, located in the Boa Vista Stream, are used, guaranteeing an annual water availability in the order of 2,732,976 m³. 303-1

In the 2020/2021 crop year, the total amount of water collected was 3,062 mega liters, used in the manufacturing process. 303-3

Total water withdrawal *, broken down by type of source, in MI **		Effluents generated and reused 2020/2021			
Tipo de captação	All Areas	Effluent	Effluent Volume (m³)	Method of Treatment	Reuse/ Destination
Groundwater	1,868	Vinasse	5,541	-	Fertigation
Surface Water	1,194	Wastewater	82,288	Physical	Irrigation
TOTAL	3,062	Treated Effluent	857,454	Physica Chemical	Reuse in the process

* Withdrawal exclusively for use in the crop year production process.

** The plant is located in areas without water stress. Total dissolved solids ≤1 g/L

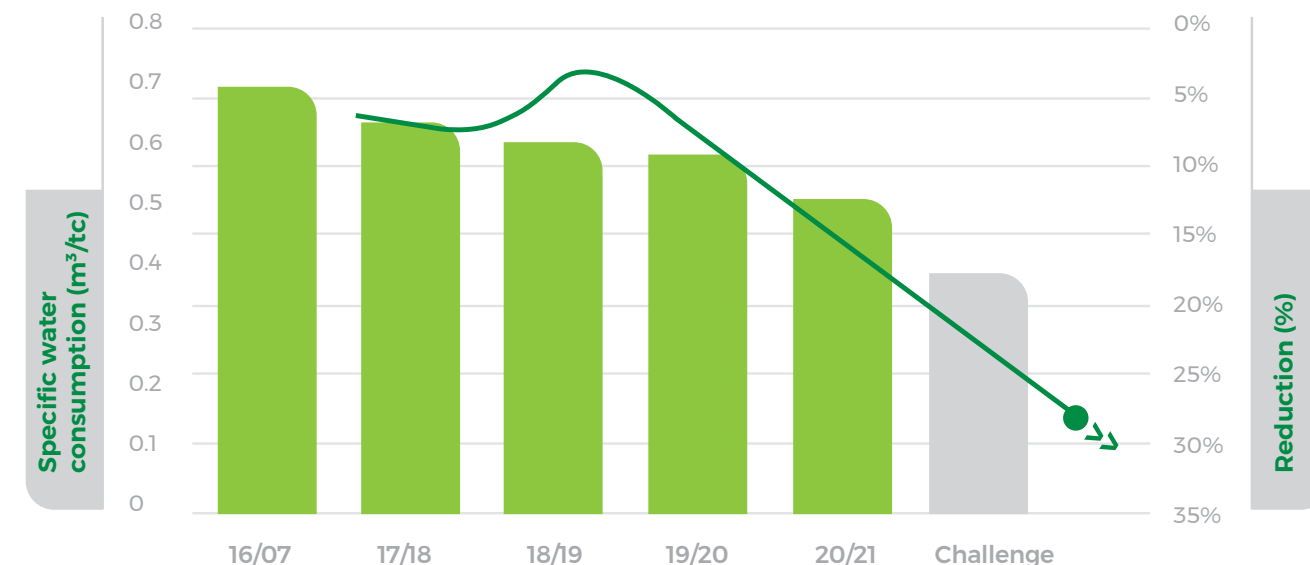
IRRIGATION AND FERTILIZATION THROUGH VINASSE APPLICATION (FERTIGATION)

The application of vinasse is carried out with a hydro-roll, by spraying, according to the agronomic recommendations and determinations of the plant's needs. These are calculated as a function of the potassium concentration in the soil and vinasse and the cation exchange capacity (CEC) of the soil, with mineral nitrogen supplementation, according to productivity. Vinasse is analyzed every six months in a laboratory accredited by INMETRO and weekly in our internal laboratory, while soil samples are analyzed annually.



The management of water resources is performed based on monitoring and daily recording of withdrawal, compliance with the right of use grants, in addition to systems for recirculating and reusing water and our treated effluents, without releasing them into water bodies. As a result, we have reduced industrial consumption of water resources by approximately 10%, measured in volume of water consumed per ton of sugarcane processed against the last crop year. 303-1 | 303-2

SPECIFIC WATER CONSUMPTION IN MANUFACTURING



Over the past few years, the manufacturing sector has been reducing its specific consumption of water. All the effluent generated in the manufacture is reused within the production process, with 30m³/h of this volume treated and returned to the process. The surplus of wastewater is applied to the fertigation of sugarcane fields, in compliance with the discharge standard established in CONAMA (Brazil's National Council for the Environment) Resolution No. 430/2011. Thus, there is no effluent discharge into water bodies. 303-4

In order to further reduce water consumption, starting in the 2021/2022 crop year, Nardini intends to invest around 600 thousand reais in the Project Águas. An Action Plan will be prepared, prioritizing points with higher flow gain rates. Our challenge is to reduce specific consumption to 0.45 m³/tc, which will represent a decrease of almost 20% compared to the 2020/2021 crop year. Some the actions planned are: Reuse of water from drains in the towers and backwashing, installation of a condensate in the boiler, increase in the capacity of the ETPs (Effluent Treatment Plants), among others.

Since 2010, there has been a Water Monitoring Program, through which we assess whether the quality of surface and underground water is being affected by products or waste originating from Nardini's agricultural and manufacturing activities, as well as possible impacts arising from fertigation activities with the stillage. 303-4 | 303-5

Through semiannual sampling, the quality of surface water is monitored at 3 points around the area of the industrial complex, with evaluation of parameters such as OD, OG, COD, BOD, pH and temperature. The quality of groundwater is also evaluated monthly in terms of turbidity, color, pH, total coliforms in the wells, by the quality department, at 3 different points. In the results obtained in the monitoring of groundwater from Nardini wells, all analyzed parameters (nitrate, nitrite, ammonia, chloride, sodium and sulfate) were below the standards of Consolidation Ordinance n. 5, of 09/28/2017 and of the Maximum Allowed Values (VMP) of CETESB (São Paulo State Environmental Company). 303-4



3 12 13

ATMOSPHERIC EMISSIONS

305-6 | 305-7

MATERIAL
TOPIC

Nardini does not yet have an inventory of greenhouse gas (GHG) emissions. We are aware of the importance of quantifying our gas emissions and, for this reason, our Environmental Department has already listed in its strategic plan the publication of the pilot inventory for the next crop year.

However, taking part in **RenovaBio** allows us to understand most of our emissions, using the Renovacalc tool and disclosing energy and environmental efficiency indicators. By issuing CBIOS, we guarantee a reduction of 175,059 tCO₂ equivalent.³⁰⁵⁻⁴

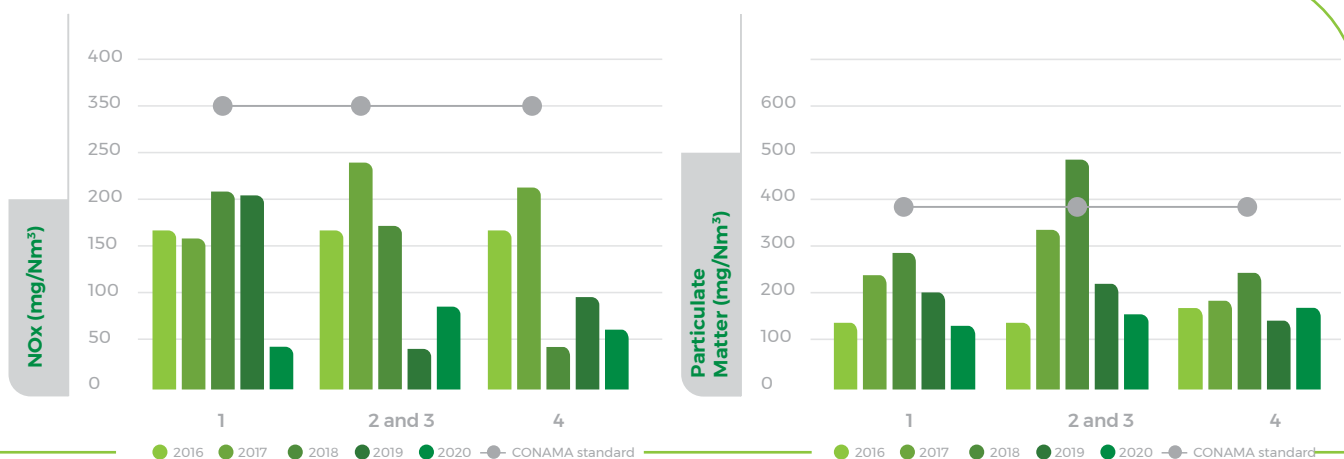
With regard to the emission of Ozone Depleting Substances (ODS), in the 2020/2021 crop year, we consumed 204 kg of HCFC-22 - refrigerant in some equipment. Hydrochlorofluorocarbons (HCFCs) were developed as replacements for CFCs, as they are less aggressive in terms of the potential for destroying the ozone layer. According to the Montreal Protocol and the Brazilian Program for the Elimination of HCFCs (PBH), by 2040 all use of HCFCs must be eliminated.³⁰⁵⁻⁶



In 2014, the burning of sugarcane straw was eliminated in 100% of the mechanized areas and in 2017 in 100% of the non-mechanized areas. Therefore, we avoid emissions of greenhouse gases and various atmospheric pollutants, alleviating the inconvenience caused to society and damage to fauna and flora.³⁰⁵⁻⁷

Regarding atmospheric emissions, our main sources are biomass burning boilers, which is why they are all equipped with pollutant control systems. Residual emissions are sent to chimneys, which are annually monitored for nitrogen oxides (NO_x) and particulate matter (PM). Emissions were always within the standards

established by legislation (350 mg/Nm³ for NO_x and 390 mg/Nm³ for PM), except for a sampling of particulate matter in 2018. From 2019 onwards, several emission control measures were put in place. Practical, such as: increasing the amount of oxygen to improve the burning of bagasse (making combustion as ideal as possible), improving the quality of the soot washing system, monitoring to avoid its saturation. And, in 2021, we are planning to invest in periodic analysis of combustion with a gas analyzer.³⁰⁵⁻⁷



We also have the Project ECO-AIR - Internal Self-Inspection Program for the Correct Maintenance of the Fleet of diesel-powered vehicles, for the transport of cargo or passengers. The objective is to assess the levels of black smoke emission in the diesel-powered vehicle fleet. In 2021, 327 vehicles were evaluated, 292 of which were own fleet and 35 third-party trucks, of which 99.66 % passed the opacity test. In addition to monitoring, we invest in leasing, with the aim of renewing the fleet, prioritizing new and renewed vehicles every 2 years.

Our action plan also includes reducing diesel consumption per ton of sugarcane, with targets established for each type of vehicle such as harvesters, sugarcane trucks and buses.





BIODIVERSITY

304-1 | 304-2 | 304-3 | 304-4

15

Biodiversity and ecosystems are invaluable assets for the planet. The processes of deterioration and loss of biodiversity cause global and national tensions as food, energy, water and human health security depend directly on the ecological balance and the availability of ecosystem services. Increased vulnerability to natural disasters, loss of agricultural productivity, spread of diseases and their vectors are among some of the negative impacts of inadequate management of native ecosystems caused by economic pressures. Conserving and restoring biodiversity, ecosystems and their associated services are part of the pillars of sustainability, as it is not possible to think of a future with social and economic development without considering these strategies.



None of our operating units, whether owned, leased or managed, are in or adjacent to environmental protection areas 304-1

We develop programs for the conservation of the biotic environment in areas of permanent preservation (PPAs) and protection of forest fragments. **We have registered in the Rural Environmental Registry (CAR), 100% of our own areas and approximately 98% of the other areas.** All APPs on the company's property are respected and gradually ecologically restored, through natural regeneration and planting of native species seedlings, in order to improve ecological corridors. In addition, these are periodically inspected to assess the stage of natural regeneration and determine which areas need ecological restoration. **The preservation areas total about 1,120 ha and, in approximately 19 ha, restoration is being carried out.** In third-party areas, if necessary, ecological restoration is promoted through guidance and donation of seedlings. 304-2 | 304-3

We have our own seedling nursery where, in the 2020/2021 crop year, we produced 24,125 seedlings of various species of native trees, representative of the species of the regional flora, which were distributed by properties in 12 towns in the region and planted in our own areas or donated to partners regional, such as suppliers and town halls. 303-3



It is worth highlighting the attention to fauna, for which a monitoring plan was implemented. The preservation of PPAs and the enrichment of the existing vegetation fragments in the areas owned by the company provide shelter and food for terrestrial fauna, avifauna and aquatic fauna. 304-2 | 304-3

According to our flora inventories, our areas have

113

SPECIES

(110 ARBOREAL AND 03 PALM TREES), BELONGING TO 41 BOTANICAL FAMILIES.

Among the tree species, there are several adult individuals over a 10-meter height, worth mentioning: White Jequitibá, Paineira, White Angico, Copaíba, Jatobá, Pink Cedar, Faveiro and the palm trees Macaúba and Jerivá.

As for fauna, in our inventories we record the species



There are even records of several vulnerable species that are at risk of extinction, such as: jaguar, ocelot, moorish cat, maned wolf, among others.

The running over of wild animals is one of the main impact factors on the local terrestrial fauna. Therefore, some actions of the wildlife monitoring plan are:

- Identification of the main points where wild animals are run over;
- Guidance for employees to record the running over, informing the location and species (if identified), making the photographic record, if possible;
- Recording of occurrences in a spreadsheet (specifying date, species and place of occurrence - geographic position) to assess the proportions in which the species are affected, as well as the variations in being run over throughout the year and identify factors associated with seasonality

Fires of unknown and criminal origins cause important impacts on fauna, flora, soil and the health of the surrounding population. In our Fire Fighting Program, we have a qualified team to manage, fight and control occurrences.

We maintain a partnership with the UNESP (Paulista State University) Veterinary Hospital in the town of Jaboticabal, where wild animals affected by fire are sent, where they undergo evaluation and receive the necessary treatments from the veterinary team. In addition, occurrences are recorded in spreadsheets and photographs. 304-2 | 304-3





1 3 4 5 8 10
11 16 17

BUILDING VALUABLE RELATIONSHIPS

102-8 | 102-12 | 102-24 | 102-41 | 401-1 | 401-2 | 404-1 | 404-2 | 404-3

MATERIAL
TOPIC

WE AMASS TALENT

The year 2020 showed us how essential it is to work as a team, towards a common goal. The talents that make up our team are essential to daily drive Nardini pursue inspiring results.



With this in mind, this crop year we hired 964 employees, including permanent and seasonal workers, especially in the agriculture and farm areas, which concentrate a good part of our efforts. 401-1

Farm	541	
Garage	44	
Agriculture	269	
Agriculture	69	
Management	41	



That means we ended the period with **2325 employees**, out of which 89% are male, distributed among the agriculture, garage, management and manufacture sectors. Although the data reflects a strong cultural issue in the agro-industrial industry, our efforts are in line with a reality in which gender diversity is increasingly present at Nardini. In addition, we prioritize internal recruitment, to give opportunities to people who have already graduated from the company. Our goal is to work inclusion in all phases of the selection process. 102-8 | 102-24

In order to reaffirm our commitment to responsibility and respect for individual and collective labor relations, 100% of our employees are covered by collective bargaining agreements signed with the representative Unions. 102-41

The excellent results we achieved in this harvest would not be possible if our team was not prepared to perform each function in the best possible way. Taking care of the development of each employee, we provide more than 80,000 hours of training, between mandatory and non-regulatory, totaling 248 sessions. 404-1

The result of all this effort is also measured by our continuous improvement process, which is designed and applied to our employees within the scope of the **Performance Assessment Program**. Every year, all permanent employees undergo this assessment, mapping their strengths and improvement needs. Permanent employees also have a health plan and a 50% subsidy on exams and doctor appointments. In addition, after 06 months on the job, they can also rely on 50% medical reimbursement. 401-2 | 404-3.

OTHER BENEFITS

Dental Plan, Collective and Complementary Life Insurance, Meal Card, On-site Meal, Pharmacy Agreement and Healthcare Reimbursement. 401-2

PLANNING THE FUTURE PROGRAM

Targeting employees in the retirement planning phase, the program provides several activities that address psychosocial and medical aspects, such as having a healthy life, nutritional guidance, financial management in maturity, post-career options and planning for the future. 404-2

SUCCESSFUL LEADERS PROGRAM

Successful Leaders emerged from the diagnosis of the GPTW Survey that demonstrated the need for training our managers, one of the main topics is people development and business management. 404-2



A GREAT PLACE TO WORK

Placing the human factor at the heart of our business strategy has earned us Great Place to Work recognition and certification. This means that our employees admire and positively recognize the organizational climate and culture we have built, in addition to the autonomy, remuneration, transparency, impartiality, credibility and other factors promoted by us. 102-12

Check our certification via the QR Code to the right.



HEALTH AND SAFETY FIRST

Our commitment to work safety goes beyond compliance with rules and laws. We value a safe and healthy work environment and therefore, we strive to always improve it further.

OUR DAY-TO-DAY

The 2020/2021 crop year year featured several initiatives that demonstrate our commitment to maintaining work safety as a pillar of all of our activities.

APR/
2020

COVID-19: SANITATION WITH SODIUM HYPOCHLORITE

The Occupational Safety area began another work to combat COVID-19 in common areas in the manufacture, management, agricultural and garage sectors, in addition to our clinic. This procedure will be done every day before the start of shift A until the end of the pandemic.

APR/
2020

MORE SAFETY IN THE GARAGE SECTOR ACTIVITIES

The HSE and Garage Management are constantly looking for better conditions and work technique improvements, as well as even more adequate tools. In April, a campaign for the disposal of improvised tools was carried out, where several were replaced by tools with guaranteed safety standards.

APR/
2020

NARDINI PRESENTS THE OCCUPATIONAL SAFETY COMMITTEE

The committee's opening meeting featured the presentation of the **10 Golden Rules**, a fitting moment to show the evolution and decrease in the number of accidents in each sector, achieving considerable levels of reduction.

JUN/
2020

HAND ACCIDENT PREVENTION CAMPAIGN

An awareness campaign in the Garage and Manufacture sectors about hand protection was promoted. We are attentive to our main work tool.

JUL/
2020

RESPIRATORY SAFETY IS AN INDUSTRY GUIDELINE

Employees were ministered **Respiratory protection training** in manufacturing. On that occasion, several technical aspects and guidelines regarding the use, storage and conservation of the respirator were addressed.

JUL/
2020

CIPTRS ELECTS ITS REPRESENTATIVES

The **CIPTRS (Internal Commission for the Prevention of Accidents in Rural Work)** voted to choose its representatives for the years 2020-2022. About 1,511 employees participated in the vote.

JUL/
2020

MECHANIZED HARVESTING FRONT 15 CELEBRATES ALMOST 800 DAYS WITHOUT ACCIDENTS

The Mechanized Harvest 15 team reaches over 799 days without any accidents. The reveal was a source of pride and celebration.

AUG/
2020

THIRD PARTIES RECEIVE GUIDANCE

On that occasion, preventive information was given about Coronavirus and our safety standards that must be respected, reinforcing that these are the same procedures applied to our employees. In addition, we talked about the importance of correct and constant use of PPE (Personal Protective Equipment).

SEP/
2020

#SAFETYISLIFE

In another step towards the dissemination of the idea of preventive behavior and risk anticipation, we launched our newest slogan: the hashtag **#SegurançaéVida** (**#SafetyIsLife**), created to show everyone that we are attentive to our employees and know that the most precious asset we have is the life of each of them.

OCT/
2020

FIRE TEAMS DEMONSTRATES FIERCE DETERMINATION IN PROTECTING BAGASSE

Our teams of firefighters, in addition to being always alert to possible natural or non-natural accidents within the company, also play a fundamental role in preventing fires in the bagasse processed in Manufacture. During the dry period, the team members took turns to keep the bagasse wet, since it presents a risk of catching fire due to the low air humidity and high temperatures.

OCT/
2020

EMPLOYEES AWARE OF THE IMPORTANCE OF THE WORK PERMIT

The Occupational Safety Technicians periodically take training and updates for a correct hazard assessment when filling out the Work Permits, a system of vital importance in ensuring safe working conditions.

NOV/
2020

AREA OF BENEFITS AND PHYSIOTHERAPIST PERFORM DDS

Employees from the Manufacturing and Automotive sectors were gathered in the courtyard to practice **workplace physical exercises**, featuring a special activity to raise awareness, led by a physiotherapist in conjunction with the Paula Costa Wellbeing space, who also took advantage of the occasion to promote the **Blue November** Campaign and its message.

NOV/
2020

MANDATORY TRAINING AT THE APORÉ UNIT

SESMT (Specialized Service in Occupational Safety and Medicine), once again in partnership with the management of the Apore unit, carried out mandatory training on **Regulatory Standard 11 (Rolling Bridge)**, **Regulatory Standard 33 (Confined Space)** and **Regulatory Standard 35 (Working at Height)**.

DEZ/
2020

PAE SIMULATION IN THE AGRICULTURE AND MANUFACTURE SECTORS

Simulations provided for in the **ERP - Emergency Response Plan** for the Agricultural and Manufacture areas were carried out. One of the simulations had the theme of being run over in the rural area, with the participation of employees from the Agricultural area.

FEV/
2021

NARDINI AND CEN'S 2021/2022 CIPA ELECTION

The electoral process for the 2021/2022 of **CIPA (Internal Commission for Accident Prevention)** Management of the companies CEN and Nardini was conducted. The election took place in the Manufacture cafeteria and had the votes of 326 employees, 293 voters from Nardini and 33 voters from CEN.

MAR/
2021

SIPAT 2021: IT IS POSSIBLE TO HAVE ZERO ACCIDENTS!

Our employees participated in the **25th Internal Week for the Prevention of Accidents at Work - SIPAT**, an annual event organized by the Occupational Safety team.



OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

403-1 | 403-2 | 403-3 | 403-4 | 403-5

403-6 | 403-7 | 403-8 | 403-9 | 403-10

MATERIAL TOPIC

We are in the process of implementing the Health, **Safety and Environment Management System (HSEMS)**, which is based on the standards and guidelines recognized by ISOs 14001 and 45001. Our goal is that our employees, outsourced workers and even suppliers are covered by this management system, each according to their specificity. With the support of SARLI Consulting, we are advancing in Phase 1 of a project that should last around three years (Phase 1, Phase 2 and Phase 3) until complete implementation in all our sectors (manufacture, management, garage and agriculture).

Fase 1

- Project Communication Plan
- Occupational Health and Safety Management System
- Occupational Health and Safety Policy
- Definition of Roles and Responsibilities
- Creation of the Occupational Health and Safety Moment
- Definition of the Occupational Health and Safety Governance Team
- Definition of Goals and Objectives
- Activity Hazard Analysis (AHA)
- Work Permit (WP)
- Golden rules
- Consequence Policy
- Recognition Program
- Reactive and Proactive Indicators
- Behavioral observation
- Accident and Incident Management and Investigation

Fase 2

- Visible and Perceived Commitment
- Rules and Procedures
- RAP Management
- Occupational Health Management
- Legal Compliance Management
- Documents control
- Training and Qualification
- People Change Management
- Communication; Occupational Health and Safety Management for Contractors
- Maintenance Management (Mechanical Integrity)
- Assured Quality; Safe Behavior Index (SBI)
- Technical Inspections
- Management Inspection

Fase 3

- Health, Safety and Environment Management
- Occupational Health and Safety Motivation Program
- Annual Occupational Health and Safety Program
- Pre-Departure Review
- Facility Change Management
- Technology Change Management
- Emergency Response Plan (ERP)
- Risk Assessment Process
- Community Management
- Perennialization Management (Continuous Improvement)

We started Phase 1 in April 2021. This first step involved an in-depth analysis of our corporate culture, seeking to identify everything we need to work on in order to have a starting point. To help us with this task, we created eight working groups.

Once the phases are completed, the feasibility of obtaining system certification will be assessed.

Our Safety Committee announced one of our impressive results - Nardini's Golden Rules Top 10 list, which are the highest safety standards that have been in place since June 2020. The rules aim to bring our employees even closer of security management, increasing awareness and generating value to the process.

We want everyone to be transformative agents of safety.

NARDINI'S GOLDEN RULES TOP 10 LIST

- 1 FOR EACH FUNCTION USE THE RECOMMENDED PPE**
 We use the recommended Personal Protective Equipment (PPE) and Collective Equipment (CPE) and the required and appropriate tools for each activity.
- 2 PREDICT THE RISKS**
 We only perform risky work (height, confined space, cargo handling, etc.) with Licenses and Work Permits to be presented on site and with the implementation of the necessary preventive measures.
- 3 KNOW HOW TO SAY NO**
 We respect classified and isolated restricted areas and no one enters without authorization.
- 4 ISOLATION MUST BE RESPECTED**
 Respeitamos as áreas restritas classificadas e isoladas e não entramos sem autorização.
- 5 SAFE DRIVING**
 We respect speed limits, drive vehicles without using cell phones at the same time, and wear seatbelts, even when we are passengers.
- 6 CONDUCTS MUST BE FOLLOWED**
 We immediately report any safety deviation and accident to the leadership, Occupational Health or Occupational Safety departments.
- 7 ATTENTION TO ELECTRICITY**
 We perform activities on equipment and facilities after certifying that all sources of electrical, mechanical, hydraulic and pneumatic energy have been safely isolated.
- 8 PROPERLY PROTECTED**
 We always work with machines or equipment with the proper protection from parts that can lead to accidents.
- 9 ESCAPE FROM DRUGS AND ALCOHOLIC DRINKS**
 We always work without using alcohol or drugs.
- 10 FOLLOW THE RULES**
 We cannot be complacent or tolerant of breaching safety rules.

MANAGING WORK HAZARDS

The Regulatory Standards of the Ministry of Labor were created with the goal of guaranteeing a safe and healthy work environment, preventing the occurrence of illnesses and injuries at work. It is our duty and a right of our employees to have a work environment free from dangerous situations and with hazards eliminated or controlled. To manage this theme, we have a team of professionals who make up Nardini's work safety team, to identify and assess hazard-generating agents in all our activities.

We are proud to be able to say that the necessary control measures are implemented based on regulatory requirements in all areas known to generate hazard. These measures refer to both equipment and structures, and are kept within the parameters necessary to ensure effective risk control. 403-2

We are continually taking care of meeting legal requirements and we have signed our commitment, keeping the PPRA (Workplace Safety Program) updated and already preparing to update this program as determined by Ordinance No. 6,730, of March 9, 2020, which will become effective as PGR – Risk Management Program. Our employees are aware of all existing hazards and actively participate in the continuous improvement process. Through the monthly CIPA (Internal Accident Prevention Commission) meetings of the, also extended to rural workers (CIPTRS), the first responders and also with the support of the Occupational Safety department of our Ombudsman, employees can report any hazardous condition they see. 403-7 | 403-2 | 403-4

Everyone's participation of in this process is part of our commitment to transforming them into agents of change and is also established in one of our Golden Rules.

3 KNOW HOW TO SAY NO



We know that day-to-day activities in our operations often require work considered to be hazardous, such as electrical installations, confined spaces or even working at heights. Whatever the nature of the activity, all our employees assigned to the task undergo

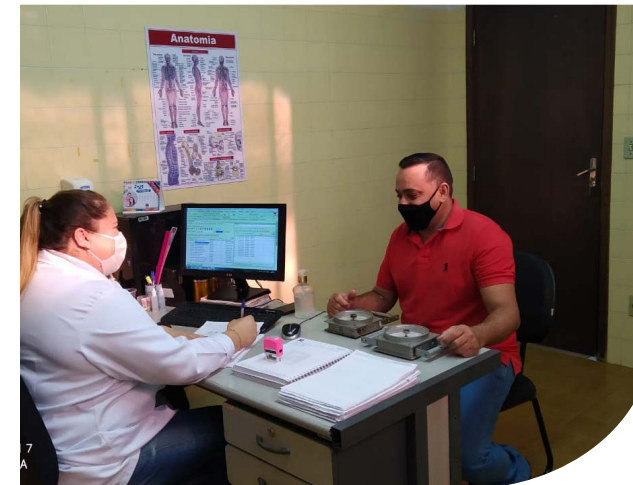
specific training, as required by the regulatory standards of the Ministry of Labor. Other trainings that do not have a normative basis are also given, such as the Activity Hazard Analysis training. 403-5

All this work goes hand in hand with our constant efforts to reduce accident rates. No accident occurs in our operations without going through an investigation process (**SCAT – Systemic Cause Analysis Technique**). This step is extremely important for us to identify what caused the unwanted event and how we can anticipate a new incident. Only in this way can we ensure improvement, prevent injuries to our employees, damage to property and/or losses in the process. 403-9

PROMOTING HEALTH

Risk management would be incomplete if it did not consider the possible effects on employees' health. For this follow-up and monitoring, we have an Occupational Health Clinic in a large, easily accessible physical space, where admissions, periodic check-ups, dismissals and any other care that involves the health of the employee are performed. 403-3

Our healthcare team is comprised by 01 occupational physician, 02 occupational nursing technicians, 01 physiotherapist and 01 ambulance driver.



We have three ambulances at our unit, to assist in transporting employees to medical clinics and hospitals, when necessary. For work-related accidents, we have an agreement with low, medium and high complexity hospitals, of easy access and a qualified medical team for immediate assistance to our employees.

The concern for the health of our employees goes beyond the activities provided for in the **Occupational Health and Safety Management Systems (PCMSO)**, required by law. 403-7

We facilitate access to non-work-related medical and health services and provide assistance, including for the dependents of each employee. All of this is done under a contract for the provision of medical and hospital services. In addition to this benefit, we offer a healthcare insurance, covering permanent employees and their dependents. For cases that may not be covered, a 50% reimbursement of appointments and exams is assured. 403-6

Another innovative measure that started this crop year was the proposal of the **"Quality of Life Program"**, being studied by the Occupational Health Service department. It aims to map and treat groups of occupational diseases, as well as other non-associated ones. We haven't had, in our history, any record of deaths due to work-related diseases. 403-10



A SAFE AND HEALTHY WORKING ENVIRONMENT FOR EVERYONE

In order to handle safety, it is necessary to monitor associates working in our facilities. Everyone undergoes integration, always as visitors, supervised by their contact point, responsible for the conduct and risk management. 403-7

All health and safety standards applicable to our operation are part of a procedure we created specifically for hiring third-party labor. Also in the qualification and contracting phase, we require several documents that not only attest to the fulfillment of legal requirements by each third party, but also evidence the capacity to carry out certain activities. 403-7

During the performance of the service, our work safety team assesses compliance with issues such as:



The score obtained is part of the performance evaluation and is essential to determine the possibility of future hiring. 403-7

These measures aim to prevent incidents/accidents and exposure to occupational diseases. Although this type of occurrence is not considered in the composition of the indices we report, it is always good to remember that we deal with accidents and incidents from a different perspective. 403-9

As a result, when there is an accident with a third party, the company's first responders provide first aid and, if necessary, there is a referral to the nearest emergency room or hospital. All these actions are monitored by a person in charge of the contractor. 403-9

Subsequently, the contracted company responsible for the injured person provides all necessary support, including mandatory documentation, opening of CAT (Communication of Work Accident) and medical records. 403-9

The technician of the contracted company carries out the investigation of the accidents together with our work safety team, and is responsible for forwarding the action plan generated. 403-9

OUR BUSINESS PARTNERS

102-9 | 204-1 | 308-1 | 407-1 | 408-1 | 409-1 | 414-1

One of the most impressive features of our sugarcane production chain is the volume of raw material delivered.

THERE ARE MORE THAN 50,000 HECTARES PLANTED

considering leased land, our sugarcane suppliers, our partners and our own planted areas, at an average distance of 28.5 km from the production unit. This supply chain is managed by the Leasing department.

100% of our raw material suppliers are located in our region and are mainly responsible for supplementing our sugarcane crushing capacity, which was record, this crop year. The proportion changes somewhat regarding to general input suppliers and service providers.

Currently, 10% have regional operations and are linked to small industrial centers, close to Vista Alegre do Alto. However, the other 90% are made up of suppliers from within the state of São Paulo, located in large industrial hubs, such as in the cities of Ribeirão Preto, Sertãozinho, Catanduva, São José do Rio Preto and Piracicaba. 204-1.

Our raw material suppliers are constantly evaluated and their social and environmental obligations are prerequisites for signing contracts. Among the requirements, we can highlight: Land Statute, Environmental Legislation, Statute of Children and Adolescents, in addition to the requirements for maintaining the Production Standard and Mass Balance Chain of Custody of Bonsucro certification. If there has been suppression of recent unregulated native vegetation, for instance, the contract is not closed.

Other inputs and services needed are under the purview of the Procurement department, responsible for the negotiation strategies.

In order to ensure the quality and conformity of the products and services we purchase, we follow internal supplier approval standards, according to ISO 9001 (Quality Management System), FSSC 22000 (Food Safety) and Bonsucro certification standards, letting them be classified according to their criticality.

Compliance with social, environmental, laboral, documental and financial health practices of the company to be hired are part of the assessment, also provided for in the contract.

Our main purchase channels for critical products and services are strategically located, for the most part, in the state of São Paulo, in the industrial hubs of the cities of Ribeirão Preto, Sertãozinho, Catanduva, São José do Rio Preto, Piracicaba and surrounding towns.

Additionally, we add social issues into the supplier assessment process. Regardless of what they provide (raw material, inputs or services), we adopt criteria relating to child labor, forced or slavelike labor, respect for freedom of association and collective bargaining. 102-9 | 308-1 | 407-1 | 408-1 | 409-1 | 414-1



PLANTING SEEDS FOR THE FUTURE OF OUR COMMUNITY

102-12 | 203-1 | 413-1 | 413-2

We are part of a much larger context as a company and a transforming agent of the environment in which we operate. Our actions reflect and impact local communities and, therefore, we are attentive to providing support for them to grow and develop.

It is in this aspect that three important initiatives stand out, created to bring the community closer to what we really believe.



PROJECT EVERGREEN

Created in 2007, it stemmed from a need to unite all the actions aimed at environmental education that were already being carried out in the communities. We develop activities aimed essentially at promoting the environmental awareness of 5th grade children in the municipal education network in more than 20 towns in the Vista Alegre do Alto region.

Strengthening the ties between us and the schools, we opened Nardini's doors to welcome children to this project, which is based on three key aspects: theory, practice and support. The theory includes the information that will be disseminated during lectures and meetings we promote.

Practice concerns the life experience that students already have on theoretical topics. Our support is making available educational materials, which can be used in the classroom and in activities that are practiced, according to the theoretical approach.

The Project Evergreen benefits around
1,050 PUBLIC SCHOOL STUDENTS

yearly. During its 10-year plus existence, more than 20 thousand copies of educational material were distributed.

With the implementation of the Nardini Evergreen project, an ongoing action was established, setting a reference and motivating the school community to adopt sustainable attitudes, making students multipliers of knowledge in their homes and community.

102-12 | 203-1



AURÉLIO NARDINI AWARD

The Aurélio Nardini Award is an initiative conceived in 2006, chiefly by the president of the Aurélio Nardini Group at that time, Guiomar Della Togna Nardini. The project's main objective is to encourage children to study and the integration between Nardini and the Vista Alegre do Alto community, highlighting once again our responsibility and commitment to education.

Targeting students in the 5th and 9th grades of elementary school and high school senior year, Portuguese, Mathematics and Essay tests are applied.

After the evaluation of each participating student, prizes are awarded according to the score achieved.

The award is an anticipated event in the region and receives wide publicity 102-12



PROJECT HOMECOMING

Life is the most precious thing we have and no one better than our family to remind us of what really matters.

Bearing that in mind, the Project Homecoming had its first edition in 2018 and it is another action we implement, focusing on promoting occupational health and encouraging safe behavior.

Under the management of our Occupational Safety department and also Public Relations and Social Responsibility, the project aims to integrate the plant, employees and their families, raising awareness of accident prevention through artistic works created by the children of our employees.

Based on the theme "How would you like your father/mother to return home?", the children are invited to translate the answer to this question into an illustration. Top rated illustrations make up our annual calendar and the family gets a special day at our facility. 102-12





SOCIAL RESPONSIBILITY

413-1 | 413-2

MATERIAL TOPIC

We do not stop looking for initiatives to improve the quality of life of those who matter to us, whether inside or outside our gates. In addition to educational projects, we keep other initiatives based on social responsibility.



WINTER CLOTHING CAMPAIGN

We collect winter clothes and blankets for donation to welfare institutions.



NARDINI APPRENTICE

Promotion and insertion of young people in the labor market, encouraging vocational education and growth.



EVENTS ON SPECIAL DATES

The yearly calendar of events includes International Women's Day, Mother's Day, Father's Day, Yellow September, Pink October, Blue November, in addition to year-end get-togethers.



INCLUSION OF PEOPLE WITH DISABILITIES

In 2007 we implemented the Social Inclusion Program for People with Disabilities, in partnership with the Reference Center for Assistance to PwDs at the "Ítalo Bologna" School, part of the National Service for Industrial Learning (SENAI) in Itu (São Paulo state). The purpose of the program is to encourage the inclusion of people with disabilities in the labor market, helping eliminate discrimination and prejudices existing in society.



ADOPT A LETTER TO SANTA CLAUS

In partnership with the Postal Offices, we grant wishes from letters children in need write asking Santa Claus for gifts.

OUR PARTICIPATION IN ASSOCIATIONS

102-13

We participate and interact with associations and have agreements with institutions to address the main topics and discussions related to our operations. At the municipal level, matters are dealt with directly with city and town halls, always guided by the principles established in our Code of Ethics. 102-13

Among the associations and agreements, we can highlight our strategic participation in:

- BIOCANA - ETHANOL, SUGAR AND ENERGY PRODUCER ASSOCIATION**
 The Association aims to create business solutions and develop policies and projects meeting the needs of member companies, always guided by respect for environmental, social and economic issues. Mr. Riccardo Nardini serves as Officer - 1st Treasurer and Mr. Marcelo Bertoleti serves as 2nd Member of the Fiscal Council.
- UNICA - SUGAR CANE INDUSTRY UNION**
 Entity representing the main sugar, ethanol and bioelectricity producing units in the Center-South region of Brazil, mainly in the State of São Paulo. UNICA works in harmony with the interests of sugar, ethanol and bioelectricity producers, both in Brazil and around the world. Mr. Riccardo Nardini serves on the Deliberative Council.
- SIFAES - SÃO PAULO STATE ALCOHOL MANUFACTURING INDUSTRY UNION / SIAESP - SÃO PAULO STATE SUGAR INDUSTRY UNION**
 They are employers' unions that represent, respectively, the alcohol and sugar industries in the State of São Paulo, before administrative, legislative and judicial authorities.
- SIFAEC - GOIÁS STATE ALCOHOL MANUFACTURING INDUSTRY UNION / SIFAÇUCAR - GOIÁS STATE SUGAR MANUFACTURING INDUSTRY UNION**
 Legally represents ethanol and sugar producers, coordinating institutional actions with government agencies, trade associations, business segments and institutions, always following the precepts of social and environmental sustainability.
- RIDESA - INTER-UNIVERSITY NETWORK FOR THE DEVELOPMENT OF THE SUGAR ENERGY INDUSTRY**
 It encourages and facilitates genetic improvement research for the development of RB sugarcane cultivars. Research activities are developed and shared between all Universities, encouraging the exchange of information, knowledge and results. RIDESA also calibrates the macro and micronutrients present in the soil and recommends liming and fertilizing sugarcane and optimizing manufacturing processes in the production of sugar and ethanol.
- CTC - CANAVIEIRA TECHNOLOGY CENTER**
 Biotechnology company whose main objective is the research, development and sale of sugarcane varieties that meet the needs of producers, contributing to increased productivity through the use of disruptive technologies.
- IAC - CAMPINAS AGRONOMIC INSTITUTE**
 Generate and transfer science, technology and products for the optimization of plant production systems, with environmental responsibility, aiming at socioeconomic development and food security, through research, training of human resources and preservation of heritage.



PERSPECTIVES FOR THE FUTURE MANUFACTURING UNIT – APORÉ-GO

Analyzing the opportunity to expand our business, in 2007 we chose the Goiás region, in the town of Aporé, where we invested in the installation of a new manufacturing unit for the production of hydrous ethanol and electricity, which will serve the regional market and neighboring states.

Step by step, we were adapting to the correct management and varieties of the crop, according to the soil characteristics. We currently have around **8,000 ha of leased land** where we plant sugarcane and peanuts, and as a crop rotation, we plant soybeans.

The start of operations is expected in April 2023.

ESTIMATE DATA (YEARLY)

Milling:
800,000
tons of cane

Production
70,000 m³
of hydrous ethanol

Generation of
60,000 MW
of electricity

Direct Job Creation:
1,200

Indirect Job Creation:
5,000

NEW CERTIFICATIONS

We are striving for two more certifications: ABNT NBR ISO 14001 (Environmental Management System) and ABNT NBR ISO 45001 (Occupational Health and Safety Management Systems). Our firststep was the creation of the Health, Safety and Environment departament in 2021.

STRATEGIC PLANNING

Based on the definition of the corporate identity, we developed our Strategic Planning, which will guide our actions mid and long-term, outlining a 5-year perspective. The objective is to create the company's commitment to the future and consolidate the strategy to be used, mobilizing resources and setting goals.

INVESTMENT IN TECHNOLOGY

We have adopted technology as a constant source of innovation, always seeking new approaches to reduce costs and improve process efficiency in all areas of the company.

INVESTMENTS IN PEOPLE

Nardini's greatest asset is people. Therefore, we are concentrating our efforts and investing in the implementation of a solid culture of health and safety at work. With the help of specialized external consultants, we have been providing adequate training to the teams and implementing the most modern and efficient solutions in the search for an environment with healthy people, safe workplaces, reduction of losses resulting from accidents and illnesses at work.





GRI ANNEXES

301-1: MATERIALS USED

Material (ton)	19/20 Crop Year	20/21 Crop Year
Sugarcane		
Own crushed sugarcane	2,113,873.35	2,306,455.34
Partners' crushed sugarcane	1,708,411.84	2,006,657.72
Sub-Total	3,822,285.19	4,313,113.06
Agricultural inputs		
Correctives	23,373.86	24,694.08
Insecticides	19.36	14.78
Fungicides	0.11	0.75
Herbicides	142.53	117.91
Fertilizers	20,402.20	13,674.71
Other Organic Fertilizers	87,048.56	80,061.44
Sub Total	130.986,61	118.563,67
Manufacturing inputs		
Lime	3,183.12	3,835.00
Sulfuric acid	1,100.66	1010.712
Hydrochloric acid	338.50	356.03
Lye	467.88	566.83
Antibiotics	0.10	0.05
Inorganic Chemicals	1,090.99	1,457.24
Organic Chemicals	57.33	34.84
Sub Total	6,238.58	77,333.11
Fuels		
Diesel	14,199.05	15,060.32
Ethanol	430.19	406.22
Sub Total	14,629.25	15,466.54
Total	3,974,139.62	4,454,476.38
Materiais provenientes de fonte renovável	3.822.715.38	4,313,519.28
Materiais provenientes de fonte não renovável	151,424.24	140,957.10

302-1: CONSUMO DE ENERGIA

	Energy (thousands of GJ)		
	19/20 Crop Year	20/21 Crop Year	Variation (%)
Energy generated by burning fuels			
Diesel oil	624.21	662.07	6.1%
Gasoline	0.32	0.32	-1.9%
LPG	1.97	1.75	-11.0%
(A) Energy generated by the consumption of non-renewable fuels	626.50	664.14	6.0%
B1) Ethanol	10.95	11.59	5.9%
(B2) Biomass	4,225.75	4,169.41	-1.3%
(B) Energy generated by the consumption of fuels from renewable sources	4,236.70	4,181.01	-1.3%
Total energy generated from fuels (A + B)	4,863.20	4,845.15	-0.4%
Electricity			
Electricity purchased for consumption	8.52	6.88	-19.3%
Electricity sold	532.34	568.73	6.8%
Electricity consumed	3,701.93	3,607.56	-2.5%
Total Energia Consumida dentro da organização	4,339.37	4,283.30	-1.3%
Percentage (%)			
Energy from non-renewable fuels	13%	14%	
Renewable energy	87%	86%	



304-4 IUCN RED LIST SPECIES AND NATIONAL CONSERVATION LIST SPECIES WITH HABITATS IN AREAS AFFECTED BY OPERATIONS.

The species evidenced in the faunal survey prepared in the RAP were compared with those from the official list of threatened species in the São Paulo state (SMA, 2014).

Extinction risk levels	Avifauna	Mastofauna	Herpetofauna	Ichthyofauna
Critically endangered	-	-	-	-
Endangered	31	14	3	1
Vulnerable	-	-	-	-
Near threatened	16	8		1
Least concern	-	-	-	-
Data deficient	3	9		1
Total	50	31	3	3

401-1: TOTAL NUMBER AND RATES OF NEW EMPLOYEE HIRES AND TURNOVER

Total Number of Employees						
Male			Female			
30 and Under	31 to 50	Over 50	30 and Under	31 to 50	Over 50	Total
475	1160	425	82	148	35	2325

Functional Position	Total New Hires ¹	Taxa de Rotatividade ²	
		Permanent	Seasonal
Management	41	0,62	19,25
Manufacture/CEN	69	0,86	22,13
Garage	44	0,47	11,83
Agriculture	269	0,4	95,85
Farm	541	2,33	125,46
Total	964	-	-

¹ Employees considered: permanent and seasonal.

² Turnover = (number of hired + number of fired) / 2 / number of active employees in the crop year.

401-3: PARENTAL LEAVE

Category	Maternity Leave	Paternity Leave
Number of employees that were entitled to parental leave	4	65
Number of employees that took parental leave	4	65
Number of employees that returned to work after parental leave ended	4	65
Number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	2	27
Return to work rate of employees that took parental leave (%)	100%	100%
Return to work rate and retention rate after 12 months of employees that took parental leave (%)	50%	59%

403-5: WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY

Training in Health and Safety
Regulatory Standard 01 – Worker Integration (new hires)
Regulatory Standard 05 – CIPA (for elected and appointed members)
Regulatory Standard 10 – Services in Electrical Installations (for Electricians and Instrument Technicians)
Regulatory Standard 11 – Handling of Loads (for overhead crane, forklift and crane operators; and for manual handling of loads)
Regulatory Standard 12 – Machinery Protection
Regulatory Standard 13 – Pressure Vessels and Processing Unit
Regulatory Standard 20 – Safety and Health at Work with Flammables and Fuels
Regulatory Standard 23 – Basic Information on Fire Fighting Systems
Regulatory Standard 26 – Safety Signage and Chemical Handling
Regulatory Standard 31 – Health and Safety at Work in Agriculture (herbicide application, CIPTRS members, machinery operation, cargo handling))
Regulatory Standard 33 – Confined Space Work
Regulatory Standard 34 – Hot work, use of Air Work Platforms
Regulatory Standard 35 – Work at Height
Risk Perception



403-9: WORK-RELATED INJURIES

Work Accident Statistics

	Employees	Terceiros
Number of deaths resulting from work-related injuries	2	Our statistics only consider our own employees.
Death rate resulting from work-related injuries ¹	0.33	When an accident occurs with an outsourced worker, the company's first responders provide first aid and, if necessary, refer them to the nearest emergency room or hospital. All these actions are monitored by a person in charge of the service provider.
Number of work-related injuries with serious consequences (except deaths)	27	
Rate of work-related injuries with serious consequences (except deaths) ²	4.48	
Number of compulsory reporting work-related injuries	8	Afterwards, the company employing the injured person provides all the necessary support, including mandatory documentation, medical records and filing CAT (Notice of Injury or Occupational Disease).
Compulsory reporting work-related injuries rate ³	1.33	
Number of Hours Worked	6,025,867.77	The service provider's technician conducts the accident investigation alongside Nardini's HSEMS (Health, Safety and Environment Management System) and then the service provider is responsible for the accident investigation action plan.
Main types of work-related injuries	Lower limbs, upper limbs, chest and head injuries.	

¹ Death rate = (number of deaths / Hours Worked) x 1,000,000

² Rate of work-related injuries with serious consequence = (number of work-related injuries with serious consequences / Hours Worked) x 1,000,000

³ Compulsory Reporting work-related injuries rate = (number of Compulsory Reporting work-related injuries / Hours Worked) x 1,000,000

404-1: AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE

Average hours of training by gender and employee category 2020/2021

Employee Category	Average per Gender (Male)	Average per Gender (Female)	Average per Gender (Female)
Management	29.52	26.65	26.65
Agricultural	33.05	18.47	18.47
Garage	35.22	27.00	27.00
Manufacture	45.56	46.51	46.51
Average per Employee	34.19		

405-1: DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

Percentage of individuals within the organization's governance bodies

	25 years-old and under	26 to 45 years-old	46 to 65 years-old	Over 66 years-old	Grand Total
Senior Officers	0 (0%)	1 (9.09%)	2 (18.18%)	1 (9.09%)	4 (36.36%)
Managers	0 (0%)	1 (9.09%)	6 (54.54%)	0	7 (63.64%)
Total Percentage					11 (100%)

* All individuals who make up the governance bodies are male.

Percentage of individuals who are part of the organization's workforce

Employee Category	Masculino			Feminino		
	Under 30 years-old	30 to 50 years-old	Over 50 years-old	Under 30 years-old	30 to 50 years-old	Over 50 years-old
Management	58 (2.49%)	89 (3.83%)	45 (1.94%)	42 (1.81%)	31 (1.33%)	6 (0.26%)
Agriculture	216 (9.29%)	764 (32.86%)	312 (13.42%)	31 (1.33%)	108 (4.65%)	29 (1.25%)
Garage	93 (4.00%)	217 (9.33%)	31 (1.33%)	0 (0%)	3 (0.13%)	0 (0%)
Manufacture	55 (2.36%)	143 (6.15%)	37 (1.59%)	3 (0.13%)	12 (0.52%)	0 (0%)
Total Percentage	2060 88,60%)			265 11,40%)		
	2325 (100%)					

405-2: DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

Ratio of basic salary and remuneration of women to men

Employee Category	Male	Female
Management	1.11	1.09
Agriculture	1.40	1.37
Garage	1.41	1.16
Manufacture	1.27	1.14
Total Percentage	1.33	1.22



GRI CONTENT INDEX 102-55

GRI INDEX	GRI Standard	Reported information (disclosure)	Page number or direct answer	SDG
GRI 100: General Disclosures				
102: Standard Contents	Organizational Profile			
	102-1	Name of the organization	Nardini Agroindustrial Ltda	-
	102-2	Activities, brands, products and services	26 and 27	8, 9, 12
	102-3	Location of the headquarters	Address: Fazenda Vista Alegre, no number - Km 2.5 District: Zona Rural Town: Vista Alegre do Alto - São Paulo state ZIP Code: 19.920-00	-
	102-4	Location of the Operations	10	-
	102-5	Ownership and legal form	10	-
	102-6	Markets served	26 and 27	-
	102-7	Scale of the organization	10 and 26	9
	102-8	Information on employees and other workers	54	8
	102-9	Supply chain	63	8
	102-10	Significant changes to the organization and its supply chain	During the reporting period, there were no significant changes in the organization or in its supply chain.	8
	102-11	Approach or precautionary principle	36	12, 8
	102-12	External initiatives	54, 55, 64 and 65	1, 4, 10, 16
	102-13	Participation in associations	67	17

102: Standard Contents	Strategy			
	102-14	Statement from senior decision-maker	6 and 7	8
	102-15	Key impacts, risks and opportunities	36	8, 12
	Ethics and Integrity			
	102-16	Values, principles, standards and norms of behavior	22	8
	102-17	Mechanisms for advice and concerns about ethics	22 and 23	8, 16
	Governance			
	102-18	Governance structure	20 and 21	-
	102-19	Delegating authority	20 and 21	8
	102-20	Executive-level responsibility for economic, environmental, and social topics	21	8
	102-21	Consulting stakeholders on economic, environmental, and social topics	13	-
	102-22	Composition of the highest governance body and its committees	20	8
	102-23	Chair of the highest governance body	20	8
	102-24	Nominating and selecting the highest governance body	54	8
	102-25	Conflicts of interest	23	8
	102-26	Role of highest governance body in setting purpose, values, and strategy	20	8
	102-27	Collective knowledge of highest governance body	21	8
	102-28	Evaluating the highest governance body's performance	21	8



102: Standard Contents	102-29	Identifying and managing economic, environmental, and social impacts	15 and 36	8
	102-30	Effectiveness of risk management processes	36	8
	102-31	Review of economic, environmental, and social topic	36	8
	102-32	Highest governance body's role in sustainability reporting	The Sustainability Report is analyzed and signed off the Chief Executive Officer. Other Senior Officers and members of the Advisory Council are also involved in the approval of the material.	8
	102-33	Communicating critical concerns	36	8
	102-34	Nature and total number of critical concerns	36	8
	Stakeholder Engagement			
	102-40	List of stakeholder groups	12 and 13	-
	102-41	Collective bargaining agreements	54	-
	102-42	Identifying and selecting stakeholders	12	-
	102-43	Approach to stakeholder engagement	12 and 13	-
	102-44	Key topics and concerns raised	13 and 15	-
	Reporting Practice			
	102-45	Entities included in the consolidated financial statements	3	8, 9
	102-46	Defining report content and topic Boundaries	3 and 16	-
	102-47	List of material topics	16	-
	102-48	Restatements of information	Not applicable as it is the first report the company compiled	-

102: Standard Contents	102-49	Changes in reporting	Not applicable as it is the first report the company compiled.	-
	102-50	Reporting period	Crop Year Start Date: 04/01/2020	-
	102-51		Crop Year End Date: 03/31/2021	
	102-52	Date of most recent report	2020/2021	-
	102-53	Reporting cycle	Yerally	-
	102-54	Contact point for questions regarding the report	Email: fabio.goncalves@nardini.ind.br	-
	102-55	Claims of reporting in accordance with the GRI Standards	This report was prepared in accordance with the GRI Standards: Essential option.	-
	102-56	GRI content index	76 to 87	
103 Forma de Gestão	103-1	Explanation of the material topic and its Boundary	16	-
	103-2	The management approach and its components	16	8
	103-3	Evaluation of the management approach	21	8

GRI 200: Economic Disclosures

201: Economic Performance	201-1	Direct economic value generated and distributed	28, 29 and 33	8
	201-2	Financial implications and other risks and opportunities due to climate change	29	8, 13
	201-4	Financial assistance received from government	35	8, 17



	202-2	Proportion of senior management hired from the local community	All members of our Executive Board have worked at Nardini for several years and were hired in towns within the micro region, close to the company's headquarters. For example, the CEO, General Superintendent, Chief Financial and Operating Officer, Chief Agro Industry Officer and assistant director are from the towns of Catanduva, Monte Alto and Ribeirão Preto.	8
203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	33 and 64	8, 9
	203-2	Significant indirect economic impacts	28 and 29	8, 9
204: Procurement Practices	204-1	Proportion of spending on local suppliers	63	8, 9
205: Anti-corruption	205-1	Operations assessed for risks related to corruption	All our operations are assessed in terms of for operational, strategic and financial risks, including those related to corruption. The significant risks regarding corruption risk assessment identified are: Reputation and image risk; Risk of unethical conduct and fraud; Corporate governance and transparency risk; and regulatory risk.	8, 17
	205-2	Communication and training about anti-corruption policies and procedures	Our Anti-Corruption Policy is under development, but all employees are informed about the appropriate conduct procedures to avoid such practices.	8, 17
	205-3	Confirmed incidents of corruption and actions taken	No cases were identified during the reporting period.	8, 17
206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No cases were identified during the reporting period.	17

	207-1	Approach to tax	34	8, 17
207: Tax		Tax governance, control, and risk management	34	8, 17
	207-3	Stakeholder engagement and management of concerns related to tax	34	8, 17

GRI 300: Environmental Disclosures

301: Materials	301-1	Materials used by weight or volume	43 and 70	12
	301-2	Recycled input materials used	This item isn't monitored.	12
302: Energy	302-1	Energy consumption within the organization	46 and 71	7, 9, 13
	302-2	Energy consumption outside of the organization	This item isn't monitored.	7, 9, 13
	302-3	Energy intensity	46 and 47	7, 9, 13
	302-5	Reduction in energy requirements of products and services	46	7, 9, 13
303: Water and Effluents	303-1	Interactions with water as a shared resource	48 and 49	6, 12
	303-2	Management of water discharge-related impacts	48 and 49	6, 12
	303-3	Water withdrawal	48	6, 12
	303-4	Water discharge	49	6, 12
	303-5	Water consumption	49	6, 12
304: Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	52	15



306 Resíduos	304-2	Significant impacts of activities, products, and services on biodiversity	52 and 53	15
	304-3	Habitats protected or re-stored	52 and 53	15
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	52 and 72	15
	305-1	Direct (Scope 1) GHG emissions	This item isn't monitored.	12, 13
	305-2	Energy indirect (Scope 2) GHG emissions	This item isn't monitored.	12, 13
	305-3	Other indirect (Scope 3) GHG emissions	This item isn't monitored	12, 13
	305-4	GHG emissions intensity	This item isn't monitored	12, 13
	305-5	Reduction of GHG emissions	This item isn't monitored	12, 13
	305-6	Emissions of ozone-depleting substances (ODS)	50	3, 12, 13
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	50	3, 12, 13
	306-1	Waste generation and significant waste-related impacts	43 and 44	12
	306-2	Management of significant waste-related impacts	43, 44 and 45	12
	306-3	Waste generated	43 and 45	12
	306-4	Waste diverted from disposal	None: all waste is properly disposed of.	12
	306-5	Waste directed to disposal	43	12

307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	There was no instance of.	11, 12
308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	63	8, 10
	308-2	Negative environmental impacts in the supply chain and actions taken	None was reported.	8, 10

GRI 400: Social Disclosures

401: Employment	401-1	New employee hires and employee turnover	54 and 72	8, 10
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	54 and 55	8
	401-3	Parental leave	73	5, 8
402: Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	Even though our collective agreements do not formally set notice periods for operational changes, we act strategically and gradually, always trying to avoid major impacts. Therefore, all operational changes are communicated in advance and monitored throughout the entire process, step by step, until such change is completed.	8
403: Occupational Health and Safety	403-1	Occupational health and safety management system	58	3, 8
	403-2	Hazard identification, risk assessment, and incident investigation	58 and 60	8
	403-3	Occupational health services	58 and 60	3, 8
	403-4	Worker participation, consultation, and communication on occupational health and safety	58 and 60	3, 8, 16



403: Occupational Health and Safety	403-5	Capacitação de trabalhadores em saúde e segurança do trabalho	58, 60 e 73	8
	403-6	Promoção da saúde do trabalhador	58 e 61	3, 8
	403-7	Prevenção e mitigação de impactos de saúde e segurança do trabalho diretamente vinculados com relações de negócios	58, 60, 61 e 62	3, 8
	403-8	Workers covered by an occupational health and safety management system	Our health and safety management system is being implemented and actions are already underway. Currently 100% of our employees, out-sourced workers and even suppliers are covered by this management system, each according to their specificity.	3, 8
	403-9	Work-related injuries	58, 60, 62 and 74	3, 8
	403-10	Work-related ill health	The company's Occupational Health Service is currently studying the implementation of the Quality of Life Program, which will treat groups with work-related injury or ill health and more. The company has no record of deaths due to work-related injury or ill health in its history. All occupational health risks are updated and are included in our PPRA (Workplace Safety Program) and PCM-SO (Occupational Health and Safety Management System).	3, 8
404: Training and Education	404-1	Average hours of training per year per employee	58, 60, 62 and 74	8
	404-2	Programs for upgrading employee skills and transition assistance programs	54 and 55	-
	404-3	Percentage of employees receiving regular performance and career development reviews	54 and 55	5, 8

405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	75	5, 8
	405-2	Ratio of basic salary and remuneration of women to men	75	5, 8, 10
406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	We have an Ombudsman Channel for all types of misconduct, including discrimination. However, we never received any complaints related to race, color, gender, religion, political opinion or ethnicity. We also work hard to disseminate a culture of diversity and inclusion.	5, 8, 10, 16
407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	63	8, 16
408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	63	8, 16
409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	63	8, 16
410: Security Practices	410-1	Security personnel trained in human rights policies or procedures	All employees, including the security team, received human rights training on policies, procedures and laws, based on our Code of Ethics.	8, 16
411: Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	Not applicable. Nardini's operations do not take place in areas where indigenous peoples are on record.	10, 16
412: Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	All operations carried out at the company are based on human rights guidelines.	8, 16



	412-2	Employee training on human rights policies or procedures	All employees received human rights training on policies, procedures and laws, based on our Code of Ethics.	8, 16
	412-3	Significant investment agreements and contracts that include human rights.	The company has a policy of not hiring services or working with input suppliers that violate human rights, and the standard draft of the service provision contract contains human rights protection clauses, such as: the child and adolescent statute and work analogous to slavery, among others, under penalty of breach of contract. Also in the financing and loan contracts there is a standard clause of the financial agents that stipulate that the company complies with human rights laws under penalty of early settlement of the contract being signed.	8, 16
413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	64 and 66	8, 16
	413-2	Operations with significant actual and potential negative impacts on local communities	64 and 66	8, 16
414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	100% of our suppliers of raw materials, inputs and services are selected based on social criteria. Compliance with social obligations is a prerequisite for signing contracts.	8, 10, 16
	414-2	Negative social impacts in the supply chain and actions taken	Currently, there is no formal systematic and measurement of significant negative social impacts – actual and potential – identified in the supply chain. However, we adopt preventive and/or corrective measures when aware of negative social impacts of suppliers within their scope.	8, 10, 16

415: Public Policy	415-1	Political contributions	In line with Brazilian law, it is not Nardini's practice to offer or make any contributions to political parties and agents.	8, 10
416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	All Nardini products are certified in the ISO 9001 management system standard and granulated sugar also has the unique feature of having the FSSC 22000 food safety certification.	8
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no cases of non-compliance.	8
417: Marketing and Labeling	417-1	Requirements for product and service information and labeling	Some of our products do not require labeling, but all information is described in quality certificates. Labeling information meets expected regulatory requirements. When there is a contractual requirement for foreign customers, we adapt the labeling to the relevant country information requirements.	-
	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	There are no records of non-compliance with laws and/or voluntary codes regarding marketing communication. Our full attention is focused on the law prior to any disclosure.	-
418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no complaints from customers or regulatory bodies regarding breaches of privacy and/or loss of customer data.	-
419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	During the period, the company had no record of fines or economic sanctions for non-compliance with laws and regulations in the socioeconomic scope.	8, 16



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