

com bio



Sustainability Report 2022

Summary



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MESSAGE FROM MANAGEMENT



Message from the Chairman of the Board

[2-22]

Dear Reader,

We are pleased to share with you our socio-environmental performance for 2022. In the following pages, you will get to know a little bit about what was accomplished throughout the year, and we are confident that we have made further progress in consolidating governance based on the sustainability principles of the Global Compact, the SDG agenda, and the B Corp system.

Despite an extremely challenging year, we managed to secure another growth leap. In March 2022, we signed two contracts with the U.S. multinational company Ingredion. Two boilers are being implemented in each of the client's industrial units in Mogi Guaçu/SP and Balsa Nova/PR. These two projects will bring a significant increase in the company's revenue and, as predicted by the green seal issued by NINT, they will also lead to a reduction of approximately 295,000 tons of CO₂e per year, starting from the beginning of operation.

Another significant accomplishment we achieved throughout the year was the expansion of our carbon project portfolio. By the end of 2021, we had only one project listed on Vera. Throughout the year, we listed four more projects (three with the Global Carbon Council and one with the Gold Standard) and started preliminary arrangements for the two projects with Ingredion. To crown this path, we received the sec-

ond-place award in the renewable energy project developer category from Environmental Finance.

In our journey as a reference in ESG, two other accomplishments were achieved in 2022. After a long and rigorous assurance process, ComBio successfully completed its third certification by the B Corp system, this time with a score that exceeded 100 points. In 2014, when we joined the movement, our score was 89. Four years later, we reached 94 points, and in 2022 we reached 109 points. It is worth noting that ComBio has been among the companies with the highest scores in the environmental category in the Best for the World awards.

Finally, in 2022 ComBio again had the opportunity to take part in the COP conference, this time held in Sharm el-Sheikh, Egypt, where our sustainability director presented a panel on biofuels in Brazil. Given the international projection of this event, we were able to showcase our most relevant environmental case study conducted in the city of Barcarena/PA, where we replaced a petroleum derivative with açai pulp waste: an emblematic case of energy transition combined with circular economy.

However, 2022 was not only about achievements. It was also a year of reorganizing. After exploring other business fronts such as energy efficiency, electricity, and organic waste biodigesters, we decided to discontinue these activities. In a year full of challenges, we understood that our focus should be exclusively on steam and biomass generation. After all, it was these last two activities that brought us here and made us become a national standard – and why not, a global one? From now on, more than ever, our focus will be on bringing our de-

carbonization solutions to as many industries as possible.

I wish you all happy reading!



Roberto Lombardi de Barros

Chairman of the Board

ABOUT THE REPORT



Introduction [2-1, 2-5, 2-6]

For the second year in a row, ComBio Energia S.A (ComBio) is publishing its Sustainability Report, a document that showcases the company's performance from an environmental, social, and governance perspective between January 1 and December 31, 2022. The goal of this publication is to bring transparency to its business and share the key initiatives developed throughout the year and the challenges that the company has overcome.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) standards, 2021 version, and independently assured by PwC Brazil. The publication also showcases how ComBio's practices are aligned with (i) the principles of the Global Compact, (ii) the Sustainable Development Goals of the 2030 Agenda (SDGs), and (iii) the dimensions of the B Corp framework. The data presented here covers all company units.

Materiality [2-6, 2-29, 3-1, 3-2]

The materiality matrix that underlines the content of this report was developed in 2021 through a consultation process involving 143 internal and external stakeholders. The study was conducted with the support of a specialized consultancy firm and was divided into four stages:

(i) Identification: an analysis of internal and external documents conducted to list the themes and map the key stakeholders to be consulted.

(ii) Prioritization: evaluation of stakeholder perception to prioritize specific themes.

(iii) Analysis: evaluation and analysis of the themes.

(iv) Validation: presenting the results to the leadership.

As a result of the validation process, six themes from the materiality matrix were highlighted, as presented below.

Material Themes:

- Biomass supply.
- Personnel management.
- Governance, ethics, and transparency.
- Innovation and operational efficiency.
- Climate change.
- Health and safety.

Relevant Themes:











- Water and effluents.
- Supplier chain.
- Economic and financial performance.
- Local development.
- Human rights, diversity, and inclusion.
- Waste management.
- Land use and biodiversity.

The list of material topics will undergo new inquiries when there are significant changes to the company's business model and operations, and/or when deemed necessary by the leadership. The sustainability department will review the topics annually and make relevant adjustments if necessary.

During 2022, there was no need for updates in the materiality matrix as the company's business model and operations remained similar.



Material Topics and their Relationship with GRI, Global Compact Principles, SDGs, and B Corp Dimensions [2-29, 3-1, 3-2, 3-3]

Material topic	Why is it considered a material topic?	Stakeholders who prioritized the topic	Impact limit	GRI Standards	Principles of the Global Compact	Sustainable Development Goals (SDGs)	B System Dimensions
Biomass Supply	With biomass being the main raw material for the company's operations, its scarcity in the vicinity of the units and the consequent need to source it from more distant regions can lead to increased costs and, in extreme cases, interruption of steam generation for the customer. ComBio has a specific department responsible for prospecting new opportunities and avoiding supply issues.	Executives Specialists Customers	All business units	204-1 301-1		 	Environment Community
Personnel and Management	The increase in ComBio's personnel has been significant. With the business expansion across the country in mind, providing a healthy work environment is essential for the well-being of employees and the smooth operation of activities. Therefore, the company is committed to offering favorable conditions for their well-being, appropriate benefits, training opportunities, and open dialogue with their department and leadership.	Executives Managers Specialists Employees Suppliers	All business units	401-1 401-2 401-3 404-2 404-3		   	Employees
Governance, Ethics, and Transparency	Integrity is one of the values of ComBio. The company is committed to cultivating ethical relationships with stakeholders in a transparent manner, always disclosing accurate and honest information, and complying with laws and societal demands. The Code of Conduct functions as a guiding principle for both internal and external relationships, whether with customers, partners, competitors, suppliers, shareholders, public authorities, media, financial institutions, or society at large. It is the company's primary conduct guideline. It has an undetermined enforceability period and must be strictly followed.	Executives Managers	All business units	205-3 206-1			Governance

Material topic	Why is it considered a material topic?	Stakeholders who prioritized the topic	Impact limit	GRI Standards	Principles of the Global Compact	Sustainable Development Goals (SDGs)	B System Dimensions
Innovation and operational efficiency	The sense of innovation within ComBio is inherent to its business model. Since its foundation, the company has been committed to adapting boilers to accommodate various types of biomasses. There is ongoing development of new types of plant-based fuels by blending different biomass sources or even unconventional ones, such as acai seeds. The company is dedicated to continuous improvement of its processes through research, laboratory analysis, and the implementation of new technologies.	Executives Managers Employees Suppliers Customers	All business units	201-4			Environment Communities Customers
Climate change	The company's business model is directly linked to increasing the share of renewable energy in the global energy matrix. By contributing significantly to a low-carbon economy over the years, ComBio has become a reference in reducing greenhouse gas emissions.	Specialists Others	All business units	302-1 302-3 305-1 305-2 305-3 305-4 305-7		 	Environment Communities Customers
Health and Safety	ComBio's Health, Safety, and Environment (HSE) department is highly mature, as the requirements have always been aligned with the level of clients the company serves. The efforts are consistently focused on providing a culture of safety among its employees through trainings, workshops, risk assessments, accident investigations, health and safety services, and commemorative events.	Executives Managers Specialists Employees	All business units	403-1 403-2 403-3 403-4 403-5 403-6 403-7 403-8 403-9 403-10			Employees Clients



ABOUT COMBIO

About us [2-6]

Founded in 2008, ComBio specializes in the development of steam generation projects for specific industrial sectors. In its full-outsourcing model, the company takes responsibility for all aspects of the project, including asset investment, construction coordination, environmental licensing, and all operational aspects such as payroll management, steam generation system maintenance, various operational expenses, and, most importantly, the entire biomass supply chain that back up the project.

Through this outsourcing process, ComBio delivers three important benefits to its clients:

- (i) The inherent cost savings achieved through the transition from fuel oil and natural gas to biomass.
- (ii) Reduction in greenhouse gas emissions.
- (iii) The potential generation of carbon credits or verified emissions reductions for insetting and offsetting purposes.

With a track record of greenhouse gas emissions reduction and operational cost savings, ComBio has become a credible and trustworthy reference in the industry, playing an increasingly active role in the decarbonization of the industrial sector. In its quest to become the leading renewable thermal energy and biomass company in the country, ComBio acts as a protagonist in the global climate agenda. In 2023, with the opening of two new units, the company will become the largest renewable steam producer in Brazil.

In addition to enabling the thermal energy transition to a cleaner matrix in the industrial sector, ComBio's projects have positive social, environmental, and economic impacts on the local community. Its procedures directly contribute to the achievement of Sustainable Development Goals (SDGs) 7 - Affordable and Clean Energy, 9 - Industry, Innovation and Infrastructure, 12 - Responsible Consumption and Production, and 13 - Climate Action.



Purpose

To be the leading renewable thermal and biomass energy company, playing a key role in the global climate agenda.

Values

- Sustainability: Make decisions based on environmental, social and economic sustainability.
- Customer focus: Build balanced and lasting relationships with customers, always with quality and performance differentials.
- Integrity: Cultivate reputable relationships with stakeholders in a transparent manner, with accurate and complete information, respecting the laws and the demands of society.
- Austerity: Relentlessly seek cost reduction; “do more with less” by adopting simplicity, fighting waste and superfluous expenses.
- Meritocracy: Motivating people towards superior performance, creating challenges, possibilities for professional development and providing recognition in the performance and delivery of results.
- Operational Excellence and Results: Pursuing high performance based on the best indicators, making permanent improvements in processes with a firm determination for increasing results.
- Safety: Promote practical actions that make the safety culture effective, consistent and structured, ensuring that this value is present in all people involved in our processes.

Key Milestones of 2022

Feb:

Relocation to its new office in the Pinheiros neighborhood, São Paulo.

Mar:

Partnership established between Ingredion and ComBio for the development of two projects.

Jun:

Publication of the first Sustainability Report, audited by PwC.

Jul:

Start of the carbon credit audit process for two projects at UPV Angatuba and Alumínio.

Recognition as Best for the World in the Environment category by the B Corp System.

Aug:

Completion of the third recertification as a B Corporation, achieving a score of 109.9 points.

Sept:

Attending the Brazil Climate Summit at Columbia University and SDGs in Brazil summit organized by the Global Compact, both held in New York.

First quarterly results meeting.

2nd place in the Voluntary Carbon Market Rankings 2022 awarded for best project developer in the renewable energy category.

Planting of approximately 450 native tree seedlings in Mogi Guaçu, near the Ingredion unit.

Oct:

Gold Seal in its Greenhouse Gas Inventory for the sixth consecutive year.

Launch of Unicombio, the training and development platform for our employees.

Nov:

Attending COP27 for the second consecutive year. This year, the summit was held in Egypt.

Dec:

Publication of the Mogi Guaçu case in the Environmental Agreement of São Paulo book, by CETESB.

Operations across the country [2-1, 2-6]

Offices

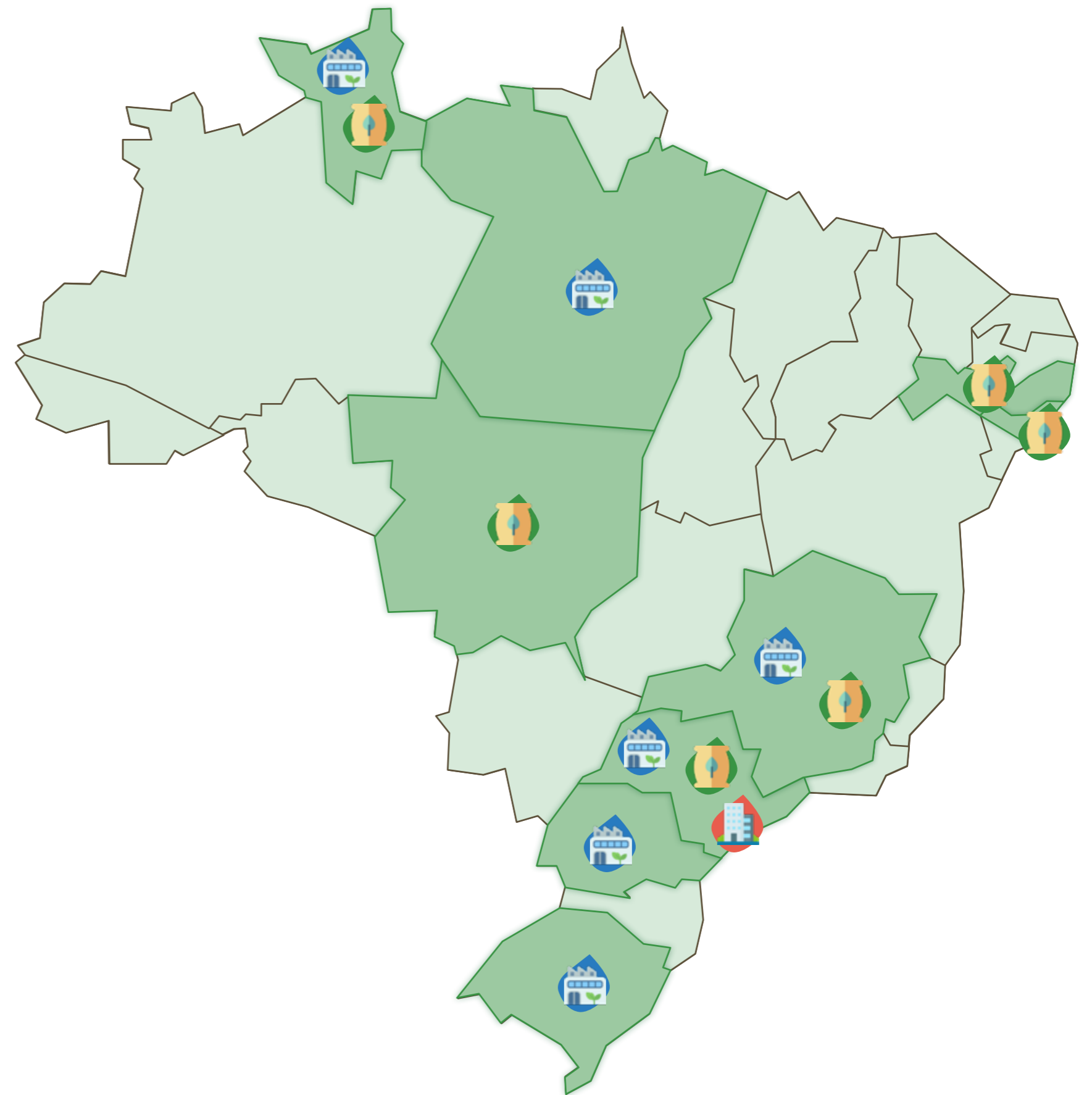
- Piracicaba - SP
- São Paulo - SP - Headquarters

Biomass Operations

- Alagoas
- Minas Gerais
- Mato Grosso
- Pernambuco
- Roraima
- São Paulo

Steam Generation Units (SGUs)

- Alumínio - SP
- Angatuba - SP
- Balsa Nova - PR - Under construction
- Barcarena - PA
- Boa Vista - RR - Thermoelectric
- Boituva - SP
- Cantá - RR - Thermoelectric
- Guaíba - RS
- Mogi Guaçu - SP - Under construction
- Piracicaba - SP
- Três Marias - MG



Start of construction of the SGUs in Mogi Guaçu and Balsa Nova

At the beginning of 2022, ComBio signed two contracts with Ingredion, a US multinational company dealing with the processing and refining of industrial ingredients based on corn. The project consists of the construction of two Steam Generation Units (SGUs), one in Mogi Guaçu, in the state of São Paulo, and another in Balsa Nova, in the state of Paraná. The construction works are already underway, and the units are expected to start operating in the second half of 2023, with at least 30 employees allocated to each SGU. Each unit will have two biomass boilers, which together will avoid approximately 295,000 tons of CO₂ emissions per year.

The partnership follows a traditional model, meaning that ComBio invests in the SGUs and is responsible for all operational aspects and biomass supply management of the units.

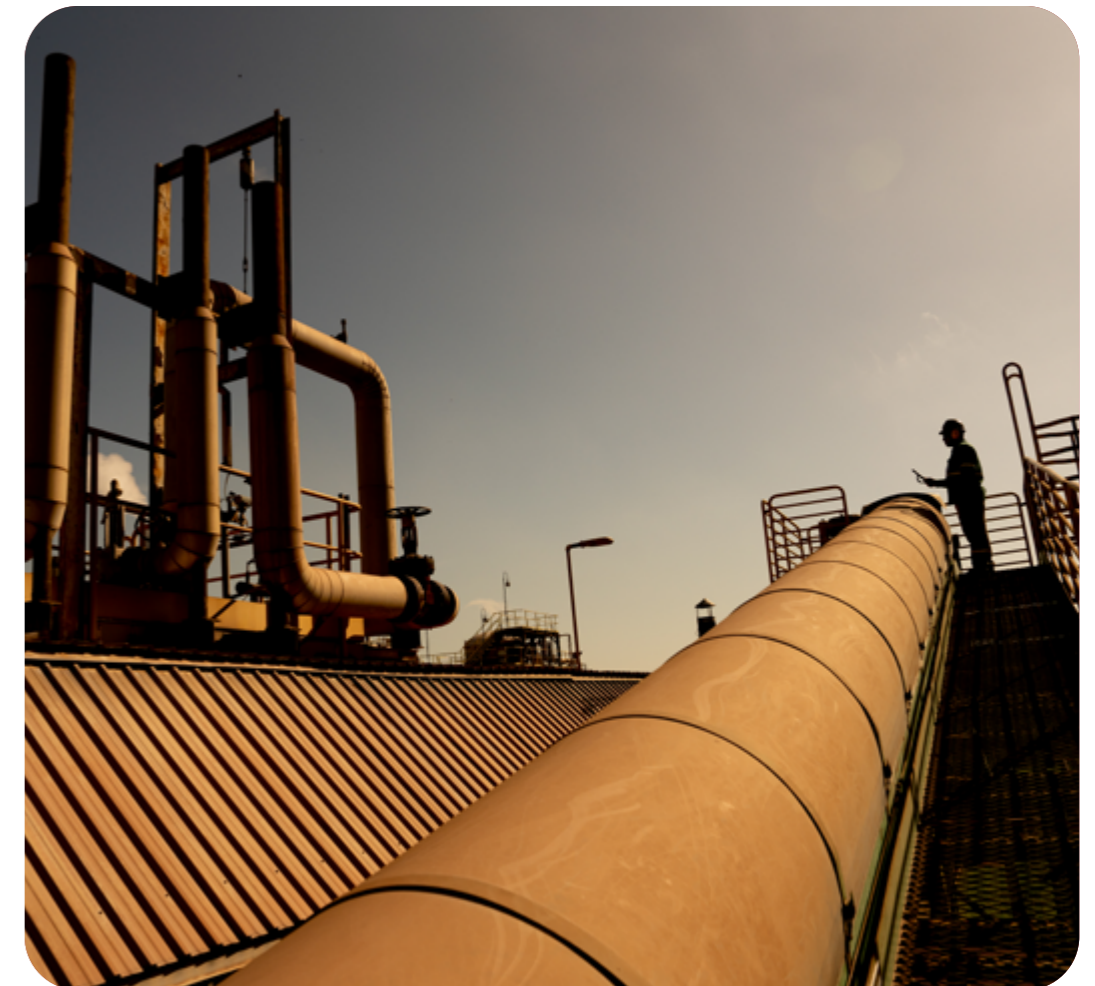
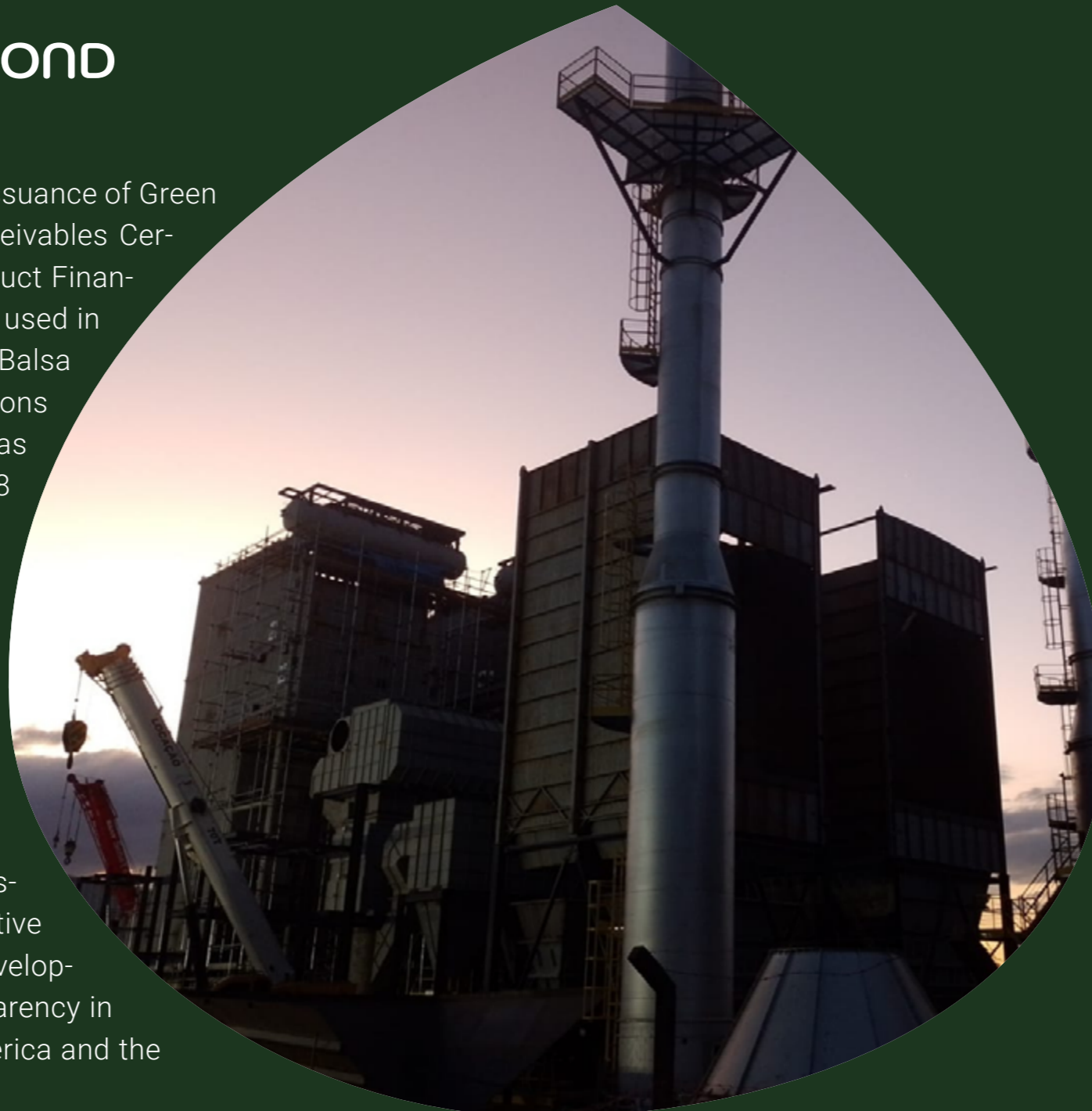
To celebrate Arbor Day and compensate for the removal of non-native trees during the implementation of the project in Mogi Guaçu, Ingredion's volunteer group and ComBio organized a tree planting event on September 24th, planting 450 seedlings in the region. The result of this action will eventually create two native forest areas in the region.



SECOND GREEN BOND ISSUANCE

ComBio has concluded its second issuance of Green Bonds backed by Agribusiness Receivables Certificates (CRA) based on Rural Product Financial Note (CPR-F). The funds will be used in investments in the Mogi Guaçu and Balsa Nova SGUs, which will start operations in 2023. The issuance amount was R\$ 200 million with a maturity of 8 years. The issuance received a favorable opinion from NINT, which confirmed that ComBio's CRA complies with the Green Bond Principles (GBP) and aligns itself with five Sustainable Development Goals (7, 9, 12, 13, 15)¹.

The issuance was also voluntarily registered on the Green Bond Transparency Platform (GBTP²), an initiative developed by the Inter-American Development Bank (IDB) to promote transparency in the green bond market in Latin America and the Caribbean.



¹ The opinion report is available on the Investor Relations page: <https://combioenergia.com.br/relacoes-com-investidores/>
² <https://www.greenbondtransparency.com/>

Project Implementation

ComBio has secured its first Engineering, Procurement, and Construction Management (EPCM) contract with Klingele Paper & Packaging Group, a multinational manufacturer of paper, corrugated cardboard packaging, and adhesives.

The company has been hired to develop, manage, and implement a biomass cogeneration unit (UCB). ComBio is overseeing the project from start to finish, including tasks such as sourcing the best suppliers and managing the construction process, from implementing the biomass yard, turbogenerator and boiler equipment to handling electrical and automation details.

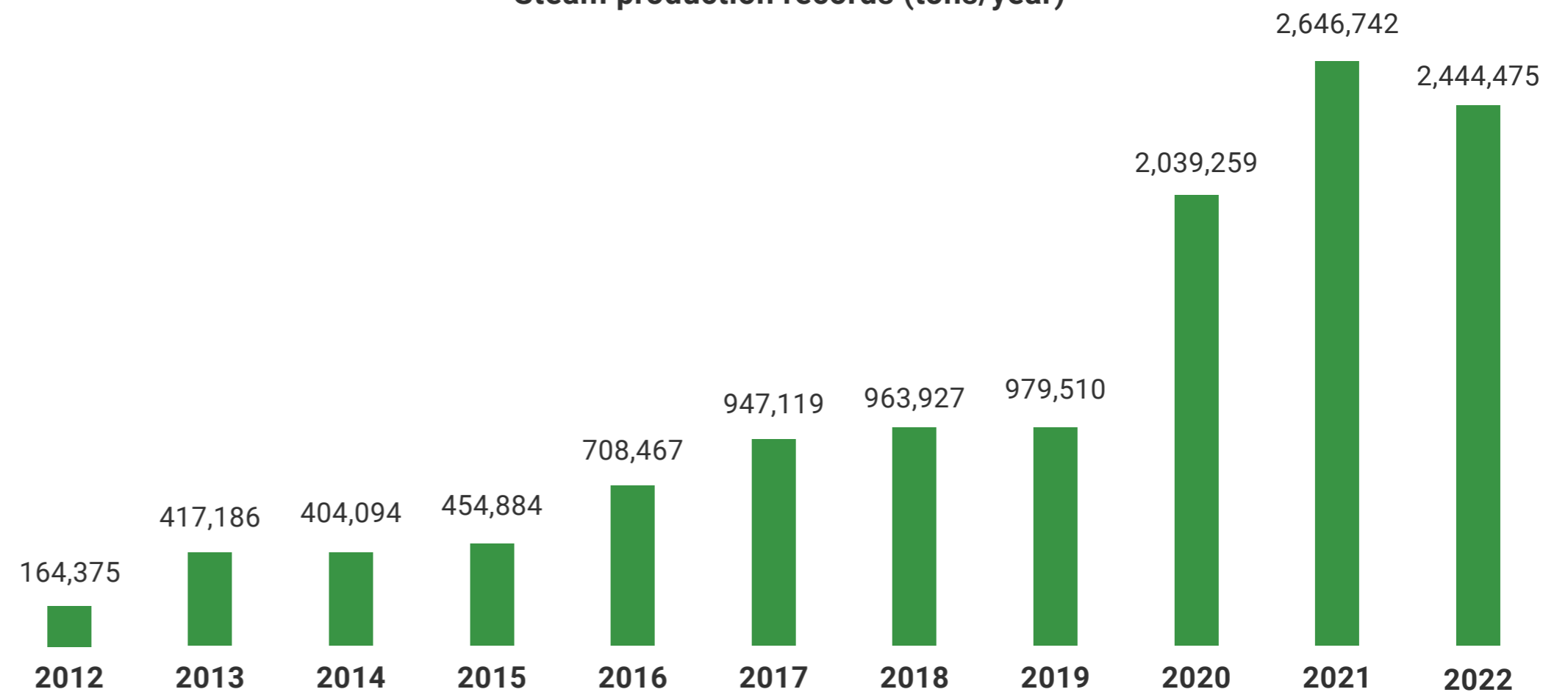


Steam Production

In 2022, ComBio produced over 2.4 million tons of steam. This represents an 8% reduction compared to the previous year, which can be mainly attributed to the cessation of operations in Porto Franco, Maranhão, where ComBio was only a service provider, as well as a lower steam consumption from some customers.



Steam production records (tons/year)





Main Activities [2-6]

- **Project Implementation:**

The client normally provides a leased land where ComBio installs its boiler, establishing a subsidiary on the site. In some cases where the equipment is purchased by the client, ComBio can take on the role of Engineering, Procurement, and Construction Management (EPCM), overseeing the project implementation from start to finish.

- **Biomass Supply:**

ComBio operates integrated biomass supply chains by using waste and by-products from various activities and generating its own biomass through the processing of eucalyptus forests and other species. A specific supply profile is developed for each project, which may include various types of biomasses.

- **Logistics and Distribution:**

The company maintains a network of storage yards and other facilities for biomass storage. While primarily serving their own units, these facilities can also be employed for third-party services, such as logistics management, trucks, trailers, and drivers.

- **Steam Generation Operation:**

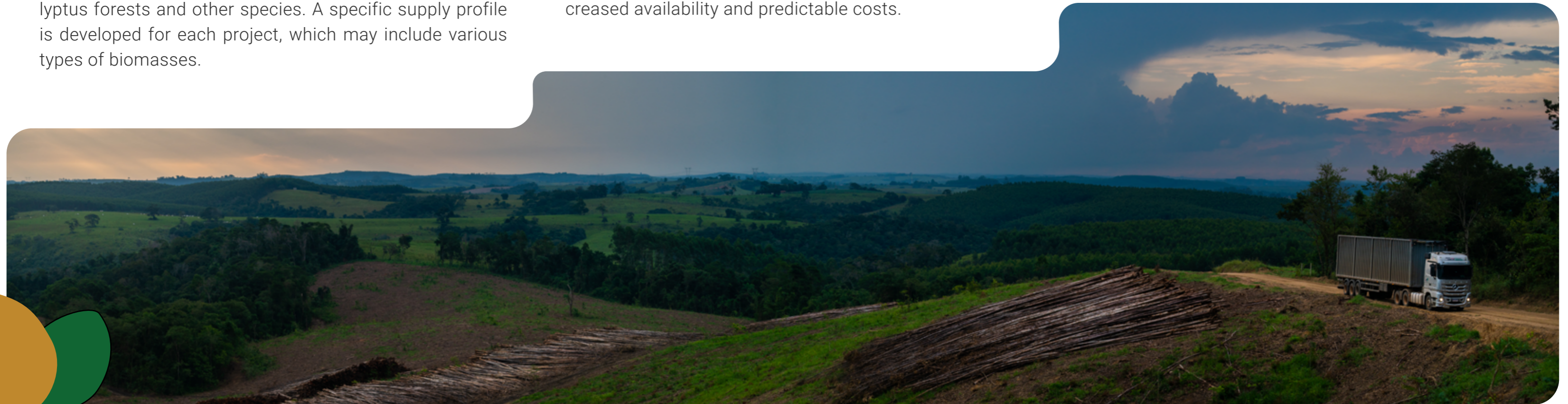
ComBio has an experienced operations and maintenance team developing their own projects across Brazil since 2008. In addition to their own assets, the company can also operate third-party assets, providing clients with increased availability and predictable costs.

- **Product Delivery:**

In most projects operated by ComBio, steam is used as a thermal input in the mining, pulp and paper, and food and beverage industries.

- **Ash Use:**

All ash generated in the process is gathered through filtration systems and stored in dedicated containers. Subsequently, the material is sent to companies that can employ the by-product in various ways, such as the production of organic fertilizers.



YEAR HIGHLIGHTS



YEAR HIGHLIGHTS

 **9 boilers**
in operation


 **Over 2.4 million**
tons of steam produced

 **Over 745,000**
tons of biomass utilized

 **Over 30 municipalities**
units for steam and biomass production

 **662 employees**

 **436,000 tons**
of CO₂ emissions avoided

 **R\$ 412 million**
in net revenue

 **R\$ 19 million**
in net profit

 **R\$ 90 million**
in EBITDA

 **R\$ 162 million**
invested in assets (CAPEX)

 **R\$ 200 million**
raised through Green Bond Certified
Agribusiness Receivables (CRA)



Governance



Governance Structure [2-9, 3-3, 405-1]

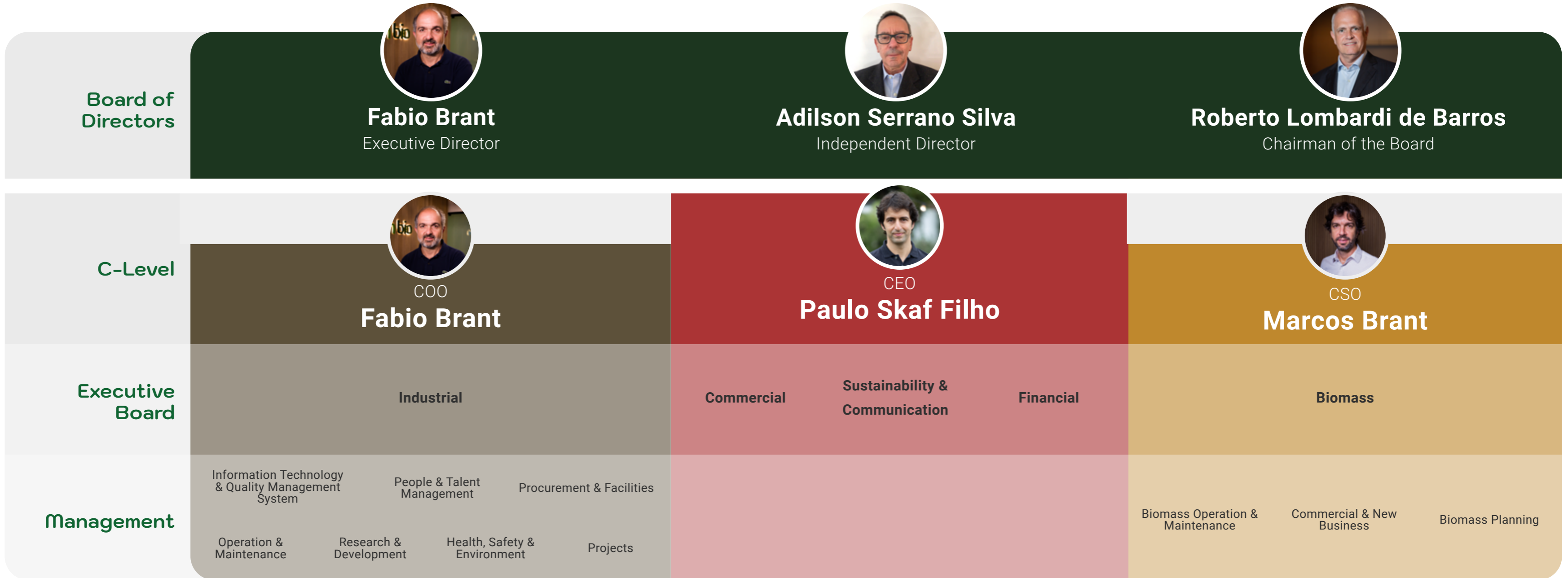
In light of the company's growth prospects, ComBio has adjusted its organizational structure to an integrated management model with a focus on its core business: the supply of

renewable steam and the delivery of a safe and efficient model for large industries to further develop their decarbonization processes.

Due to the redirection of efforts towards its main market, parallel initiatives in energy efficiency and food waste biodigestion (ORCA) are no longer part of the company's portfolio. Its focus,

more than ever, is on steam and biomass.

Another important development in its governance is the creation of three committees - Audit and Finance, Biomass, and People & Culture – which will represent a new instance of the Board of Directors that will aid the CEO in the company's strategic agendas.





QUARTERLY RESULTS MEETING

In September, the company held its first quarterly results meeting, which will now occur on a quarterly basis. The meeting, led by the leadership team, aims at presenting the company's financial results and sharing on-going projects and initiatives with employees. Each quarter, the topics covered will be tailored to the specific needs of each department.

During these meetings, the results of the "Humanizadas" survey, the new Profit-Sharing Program (PLR), and the company's financial performance throughout the year were shared.

ComBio acknowledges that informing employees regarding the company's changes, opportunities, and challenges is essential for the success and growth of the group.

Code of Conduct [2-15, 2-23, 2-24, 2-25, 2-26, 3-3]

ComBio has a Code of Conduct approved by the highest level of the company's governance, the Board of Directors. This document is directed at all employees, directors, and advisors of the company, serving as the primary source for conduct. It has an undetermined enforceability period and mandatory compliance. The document provides guidance for internal and external relationships, including those with customers, partners, competitors, suppliers, shareholders, government agencies, the press, financial institutions, and society at large.

Internal stakeholders must understand and respect the code, taking into consideration that individual behaviors transmit the values and culture of the company. Non-compliance will be considered a serious offense and will lead to corresponding consequences. During the onboarding process, new employees receive a copy of the document for reading and reference.

Ethics Network [2-23, 2-24, 2-25, 2-26, 2-29, 3-3]

In order to develop an upstanding irregularity free environment compliant with current legislation and regulations, ComBio has implemented an Ethics Network³ with mechanisms to receive and address reports of behaviors inconsistent with or in violation of its Code of Conduct, its values, or the local law itself. It also functions as a platform for clarifying doubts and receiving

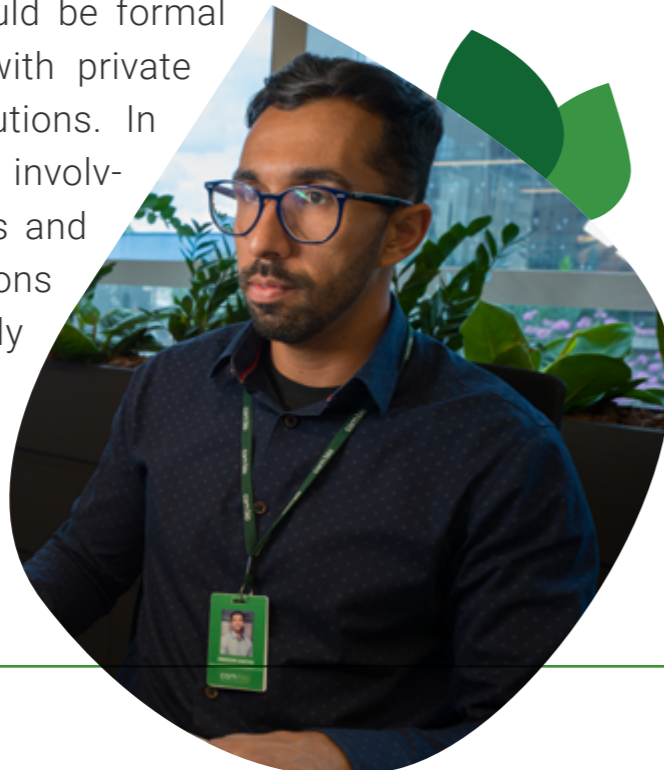
³ <https://www.contatoseguro.com.br/combio>

suggestions for improvement.

The network is managed by an independent third-party company. This helps the company to achieve transparency and to maintain ethical principles. A specialized team from the third-party company receives calls or messages via the website and conducts an initial analysis before forwarding them to the ComBio committee responsible for investigation. This committee's role is to analyze, investigate, and take necessary actions to assure the best resolution to the reported incidents.

Both internal and external stakeholders can contact the Ethics Network through the website, mobile app, or the toll-free number 0800 800 8081. All reports receive a protocol number, which allows individuals to revisit the network and track the progress of their reports. Information is treated with responsibility, and the reporter's identification is optional.

ComBio strictly adheres to legal, ethical, and moral standards. Corruption, whether active or passive, is unacceptable. Any form of direct or indirect favoritism will lead to corresponding consequences. Relationships should be formal and institutional, whether with private companies or public institutions. In 2022, no cases of corruption involving the company, employees and business partners or violations of antitrust and anti-monopoly laws were confirmed. [205-3, 206-1]



Certifications and commitments [2-23]

- Signatory of the Global Compact since 2014.
- Gold Seal in the Greenhouse Gas Emissions Inventory of the Brazilian GHG Protocol Program.
- Eureciclo Seal for environmental compensation of solid waste generated in the São Paulo and Piracicaba offices.



Pacto Global
Rede Brasil

AÇÃO
PELO CLIMA

Membership [2-6, 2-28]

- Climate Connection Association: ComBio has been invited to participate as a member of the Climate Connection Association. Created in 2021, the group considers the private sector as a key player in climate action.
- Climate and Development Initiative: One of the six “B Corporations” nominated to become a member of the Climate and Development Initiative in the Climate Policy Committee.
- Cogeneration Industry Association (COGEN): ComBio is a member of COGEN, an association that promotes discussions on the development and advancements of cogeneration of energy, bringing together companies from different sectors related to the topic.
- Federation of Industries of the State of São Paulo (FIESP): The federation represents the industrial sector of the state of São Paulo, with the aim of promoting industrial activity, seeking greater competitiveness, access to credit, and new technologies.
- Young Presidents' Organization (YPO): As CEO of ComBio, Paulo Skaf Filho is part of YPO Brazil, a global leadership community of chief executives driven by the shared belief that the world needs better leaders.

The B Movement [2-6, 2-23, 2-28]

The Global B Corp Movement was created in 2006 in the United States with the aim of redefining economic success by regarding not only financial success but also the well-being of society and the planet. It is a global community of leaders who use their businesses to build a more inclusive, equitable, and regenerative economic system for people and the planet. The movement was introduced in Brazil in 2012, and since then, Sistema B Brasil⁴ has been responsible for the engagement, promotion, and local dissemination of the entire B Movement throughout the country.

Since ComBio believes that socio-environmental profits should be part of the equation alongside economic profit, the company obtained the “B Corporation” certification in 2014, becoming the first industrial company in Brazil to achieve this seal. Since then, ComBio has had a representative in the seats of the B Corporation Board. Currently, the Director of Sustainability, Roberto Vêras, is a member of the Fiscal Board.

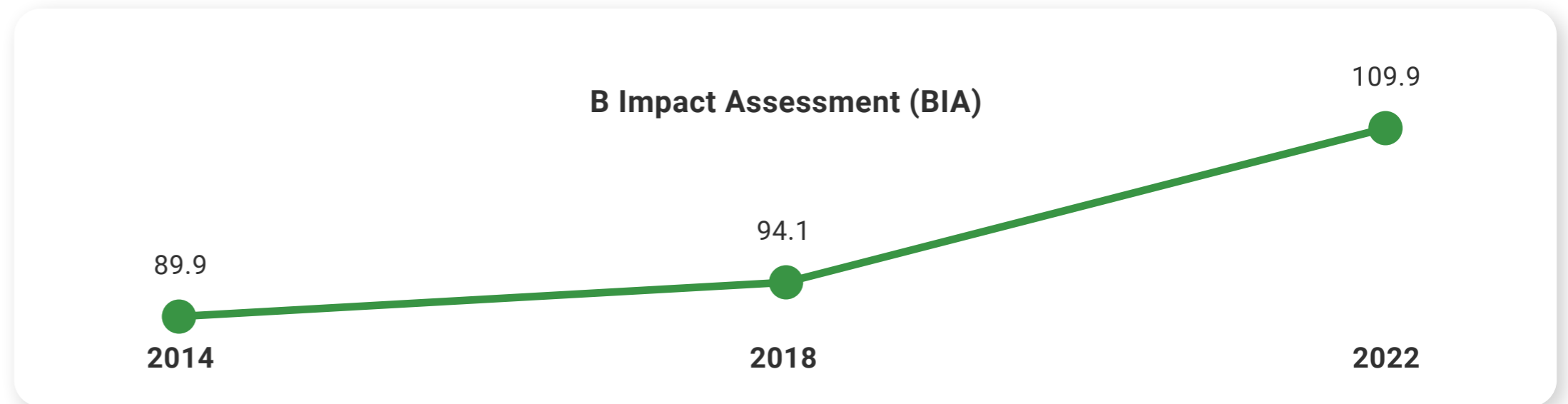
In 2022, the company completed its third recertification process and has been able to increase its score in each cycle. In the same year, ComBio was recognized for the sixth time in a row⁵ as one of the Best for the World companies in the environmental category, an award given annually by B Lab⁶.

Through ComBio’s internal efforts to maximize the environmental and social impacts of its business and governance practices, the company has set a goal to increase its overall impact score in its next recertification, which will take place in three years.



ComBio has committed to a significant reduction in carbon emissions by signing the Net Zero 2030 commitment of the B Corp Climate Collective organization⁷. All “B Corporations”

committed to Net Zero 2030 are also part of the Race to Zero, a global campaign by UNFCCC with the goal of achieving net-zero greenhouse gas emissions by 2050.



⁴ <https://sistemabrasil.org/>

⁵ The award was not presented in 2017 and 2020.

⁶ Scores and awards are available on B Lab’s website: <https://www.bcorporation.net/en-us/find-a-b-corp/company/combio-energia>

⁷ <https://www.bcorpclimatecollective.org/>

PARTICIPATION IN THE GLOBAL CLIMATE AGENDA

Throughout the year, ComBio participated in three important events on climate change, reassuring its commitment to being the leading renewable thermal and biomass energy company through its position as a leader in the global climate agenda.

The first event was the Brazil Climate Summit, organized by Columbia University on September 15-16. The event, held in New York, aimed at discussing the role of the private sector in the global climate agenda and placing the country as a hub for existing and developing climate solutions.

The second event, organized by the Brazil Network of the Global Compact under the theme “SDGs in Brazil,” took place on September 17 at the United Nations headquarters in New York. Its focus was the progress of the Sustainable Development Goals (SDGs) in Brazil. ComBio has been a signatory of the Global Compact since 2014 and continuously seeks to understand how the SDGs can relate to the company’s activities and how this global agenda is essential for achieving an environmentally balanced and socially just world.

Finally, in November, ComBio attended COP27, the United Nations Climate Change Conference, held in Sharm El Sheikh, Egypt. Roberto Vêras, the Director of Sustainability, presented the company’s business model in the panel discussion “Perspectives for Bioenergy in Brazil.”





ECONOMIC PERFORMANCE



45%
45°C

TR
AD

BUENA
90°C

DESMI
ETA

OSMOSE

AR

ECONOMIC PERFORMANCE [3-3]

[201-1]

Direct economic value generated (in R\$ thousand)	2020	2021	2022
Revenue			
Revenue	R\$ 212,554	R\$ 362,443	R\$ 557,881
Distributed economic value			
Operational costs	-R\$ 97,174	-R\$ 180,426	-R\$ 305,495
Employee salaries and benefits	-R\$ 24,149	-R\$ 47,140	-R\$ 62,723
Capital providers payments	-R\$ 17,155	-R\$ 29,389	-R\$ 58,733
Government related payments	-R\$ 60,812	-R\$ 88,312	-R\$ 112,236
Total	-R\$ 199,290	-R\$ 345,267	-R\$ 539,187
Retained economic value	R\$ 13,264	R\$ 17,176	R\$ 18,694

Note:

The company's financial statements are available on the Investor Relations website:
<https://combioenergia.com.br/relacoes-com-investidores/>.



RESEARCH & DEVELOPMENT [3-3]



PRESEARCH & DEVELOPMENT

[3-3]

ComBio has a Research and Development (R&D) department that comprises all areas of the company. Its main goal is to seek sustainable business alternatives, particularly through increased efficiency in projects and operations. The key initiatives already developed and currently being developed include:

- Implementation of advanced process control in the Power Generation Units (PGUs). In addition to the Angatuba plant, which already had this technology, it has been added to the operations in Piracicaba, Três Marias, Alumínio, and Barcarena, improving the stability of the biomass burning and steam generation process and reducing fuel consumption.
- Establishment of a laboratory focused analyzing biomass, water, and ash generated during the steam generation process.
- Research and testing of new alternatives for the use of ash, ensuring its noble and sustainable application.
- Creation of the “Cultivate Your Idea” project, a program designed for employees to suggest improvements and innovations.
- Acquisition of software and instruments for real-time biomass inventory measurement.
- Granting of a master’s degree scholarships to validate the laboratory’s analytical methods.



- Creation of the ComBio technical archive, including the acquisition of the Handbook of Fly Ash and the development of normative technical archives in partnership with the Brazilian Association of Technical Standards (ABNT).
- Study for the application of ash generated during biomass burning operations in ComBio’s cultivation fields.
- Establishment of the ash committee to discuss the characteristics and destination of ash generated in the steam production units.
- Partnership with Inova USP (IRIS) for an ideation and innovative search program for solutions regarding the sus-



- tainable application of ash generated during the biomass burning production process.
- Collaboration with the Federal University of São Carlos (UFSCAR) - Sorocaba Campus for elemental analysis (via SEM - Scanning Electron Microscope) of biomass.
- Exploration and development of new technologies for boiler water treatment.

CULTIVE SUA IDEIA PROGRAM

The Cultive Sua Ideia (Cultivate Your Idea) program was launched in April 2022 with the aim of listening to employees' suggestions that promote productivity, innovation, and sustainability, as well as ideas that improve the Health, Safety, and Environment (HSE) culture, avoid waste, and drive operational excellence. The program provides visibility to employees with an entrepreneurial mindset to the senior management. After being registered, the idea undergoes evaluation by a technical and innovation committee, and if approved, the author is rewarded.



Throughout the year, the program received 74 ideas from various sectors of the company. Of these, 32 were approved, and 7 have already been effectively implemented, including:

- (i) Developing an on-site security company to provide training for new employees and/or refresher courses.
- (ii) Improvement of asset management and traceability within the company.
- (iii) Autonomous system for cleaning and fire prevention.
- (iv) Signaling of machine lubrication points.
- (v) Repurposing damaged conveyor rollers as safety markers with signaling chains.
- (vi) Using reusable eco-friendly cups in Pilar do Sul.
- (vii) Christening the meeting rooms at headquarters.

Research and Analysis LAB

With the significant expansion of the company, ComBio acknowledged the need to establish a research and analysis laboratory that could meet its own guidelines and demands in a prompt and effective manner. In March 2022, connected to the Research and Development department, the new laboratory began its operations in Piracicaba, a city considered one of the main industrial hubs in the state of São Paulo.

The laboratory focuses on two main activities: biomass analysis and quality control of boiler water. The laboratory is currently engaged in activities related to the implementation of a quality management system in compliance with the requirements established in ABNT NBR ISO/IEC 17025:2017 standard, aiming to promote reliance in the laboratory's operation.

In the same year, the laboratory received its first purchase order for analytical services from Klingele Paper & Packaging Group. ComBio aims to expand its provision of such services.



Business model innovation [3-3]

- **Boiler adaptations:**

ComBio adjusts the operation mode of its boilers to enable the burning of multiple types of biomasses, either individually or in mixtures. This adaptation allows the company to choose the most abundant biomass option in each region, taking into consideration two essential aspects: minimizing transportation distance and employing waste related to local environmental issues and is considered a residue or byproduct of agricultural and industrial activities.

- **Development of new types of biomasses:**

The company's definition of the term "biomass" also encompasses residues and byproducts from agricultural, industrial, and reforestation activities. Given its significant agricultural potential Brazil's capacity for generating such residues has motivated ComBio to develop new biomass sources, making this expertise a unique factor in its business model.



- **Ash utilization:**

In order to increase the circularity of its operations, the company aims to continuously improve the biomass burning process and explore new alternatives for the employment of ashes generated during operations. Partnerships and non-disclosure agreements (NDAs) have been established with companies, startups, and research institutes for research and testing involving the use of ashes

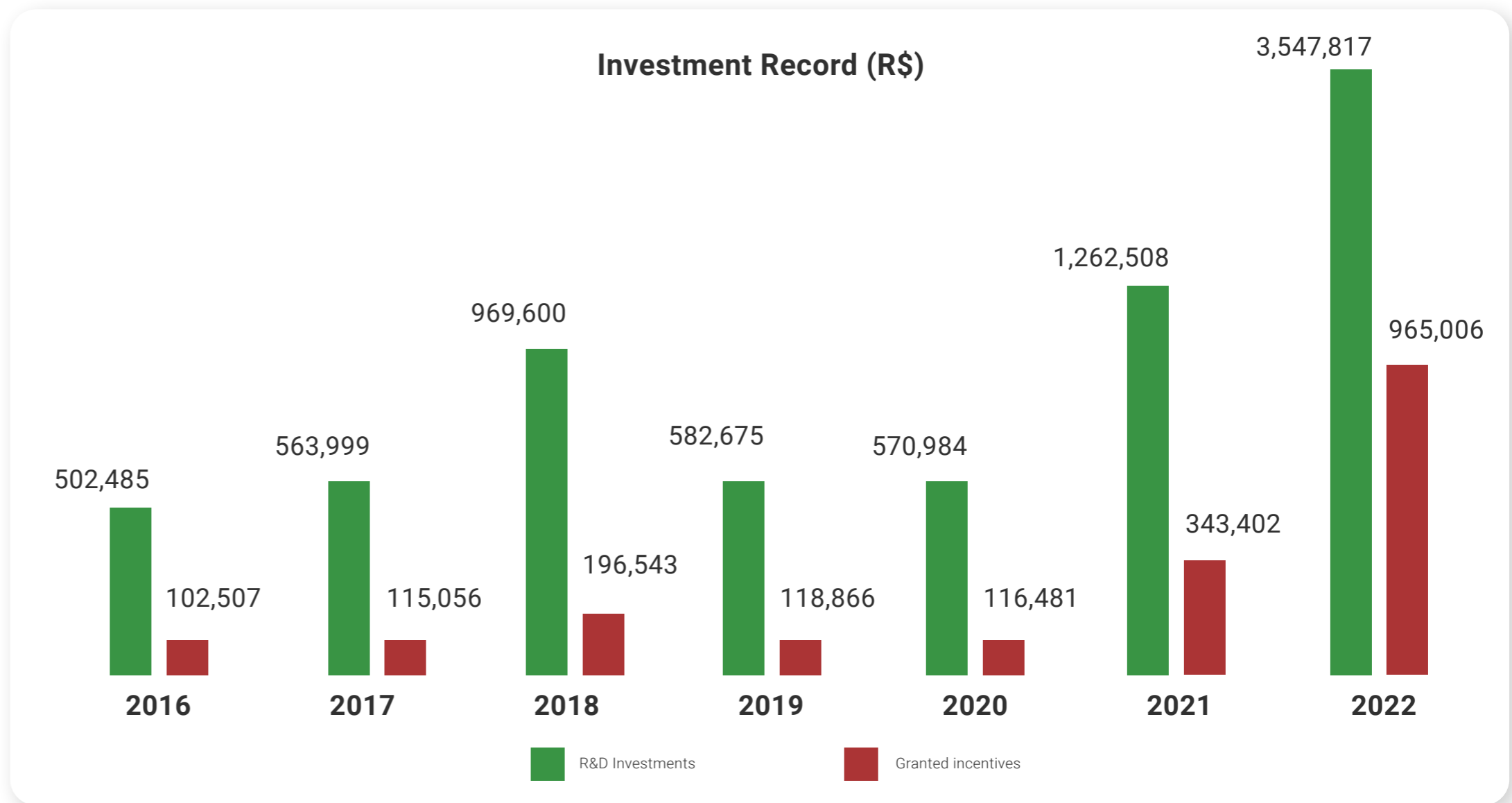


Investments in R&D [3-3]

With the important aspects of innovation in mind, ComBio applies its projects according to Law 11.196/05, also known as the “Good Law” or “Law of Good”. Linked to the Ministry of Science, Technology, and Innovation (MCTI), the law provides tax incentives to legal entities that carry out research and development of technological innovation.

It is important to highlight that, after a few years, the MCTI resumed, in batches, the analysis of requests related to expenditures in Research, Development, and Innovation, in accordance with the rules of the “Good Law”. ComBio’s request for the year 2018 was approved without reservations.

Since the first application, more than R\$ 8 million has been declared in R&D expenditure, with R\$ 3.5 million specifically related to the year 2022. In the past year, the effective tax incentives granted amounted to R\$ 965 thousand. [201-4]



Main types of biomass used throughout the year



Note:
Bamboo, sugarcane bagasse, açai seeds, rice husks, eucalyptus bark, eucalyptus chips, orange wood chips, recycled wood chips and sawdust.

Forestry [3-3]

The Forestry sector of the company expanded its operations during the second half of 2021. It is responsible for planting and maintaining eucalyptus forests and other species in leased areas. The trees are planted with the purpose of being used by ComBio as biomass, a sustainable strategy that the company has found to ensure the long-term supply for its operations.

Presently, the forest base located in the state of São Paulo corresponds to over 4,000 hectares, and by the first half of 2023, an additional 800 hectares are expected to be planted in the state of Pernambuco. The plantations are mostly made of eucalyptus, a species originally from Australia but well adapted to the climatic conditions of Brazil. Here, the rotation time is around 5 to 7 years, while in northern hemisphere countries, it can exceed 30 years.

More recently, ComBio has also started participating in bamboo planting trials and has become a member of the Bambu Brasil Working Group of the Forest Investigations Society at the Federal University of Viçosa. The group aims to promote the development of the bamboo value chain in the country, which appears to be very promising for the biomass sector.



Steam production [3-3]

The steam generation process consists of three main stages. Initially, the water is chemically treated before the heating process begins. Then, through the burning of biomass, the water is transformed into steam, which is subsequently distributed to customers through pipelines



[301-1]



Raw materials or materials used (in tons)		2020	2021	2022
Non-renewable resources	Description	Amount		
	Chemical products	48	68	264
	Total	48	68	264
Renewable resources	Description	Quantidade		
	Treated water	543,715	616,813	631,257
	Biomass	591,848	778,724	745,642
	Total	1,135,563	1,395,536	1,376,899
Total		1,135,611	1,395,604	1,377,163

Note:
The indicator only considers the main activity of the company, which is steam generation.

ENVIRONMENT

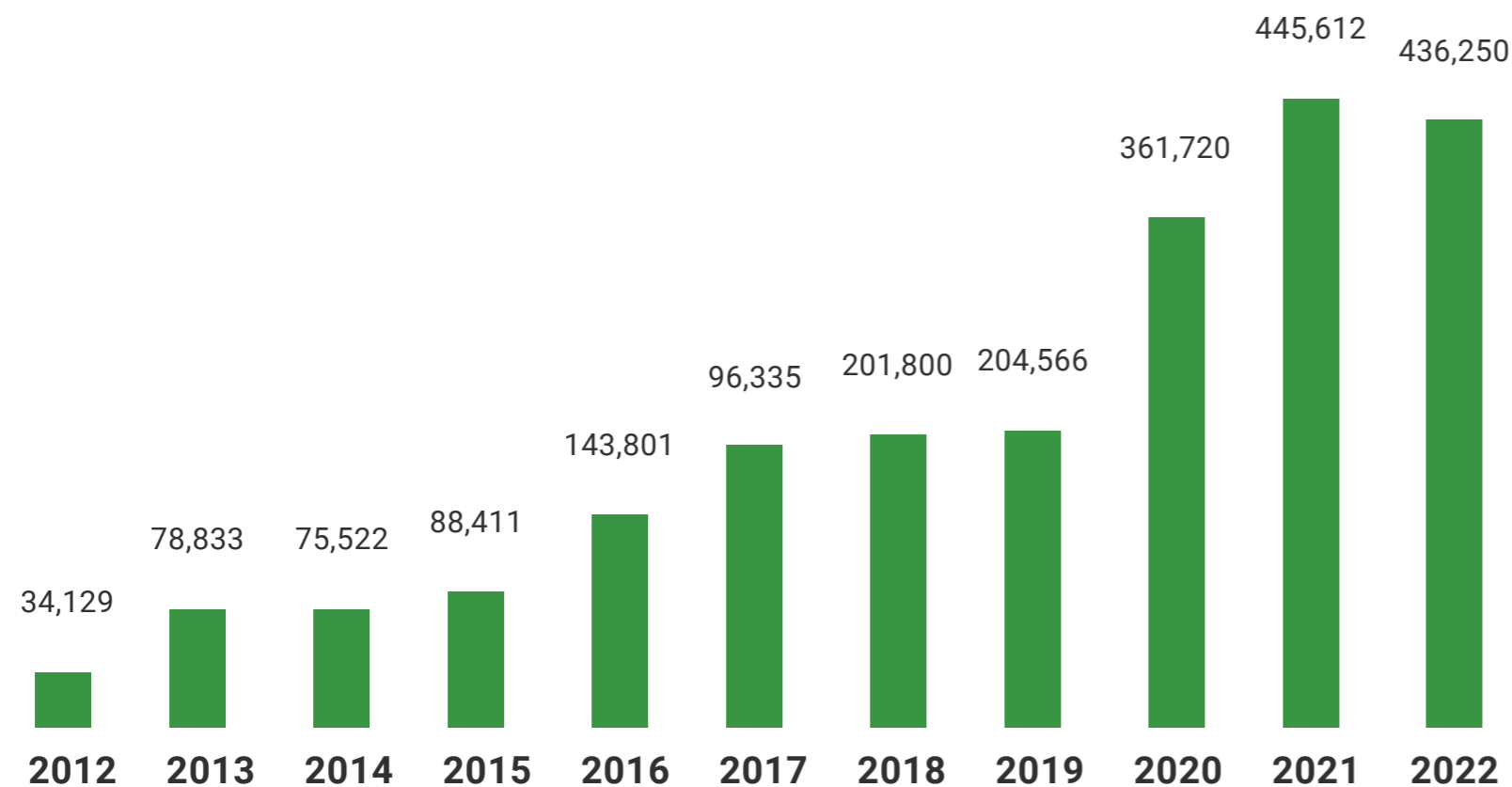
[2-25]

Climate Change [3-3]

ComBio was born as a decarbonization solution for the industrial sector, being responsible for energy matrix migration. By replacing fossil fuel combustion with renewable energy for its clients, it actively contributes to the reduction of greenhouse gas emissions. Given the magnitude of the impact caused by emissions in the industry, the company seeks to increasingly contribute to changing the current landscape.

As part of its contribution, in the past year, the company's steam production units (UPV) avoided the emission of 436,000 tons of CO₂ equivalent into the atmosphere. In 2022, there was lower steam consumption, which also resulted in a decrease in avoided emissions compared to the previous year.

Annual avoided emissions (in metric tons of CO₂e)



HIGHLIGHT - AVOIDED EMISSIONS IN 2022

Boituva:
13,002

Três Marias:
61,232

Guaíba:
14,263

Alumínio:
211,572

Angatuba:
75,400

Piracicaba:
35,659

Barcarena:
25,122

Besides contributing to the emission reduction of its clients, ComBio coordinates the carbon credit generation process. Since 2018, the company has dedicated its efforts, in partnership with its clients, to the development of carbon credit generation projects, considering it to be an important tool for decarbonizing the economy.

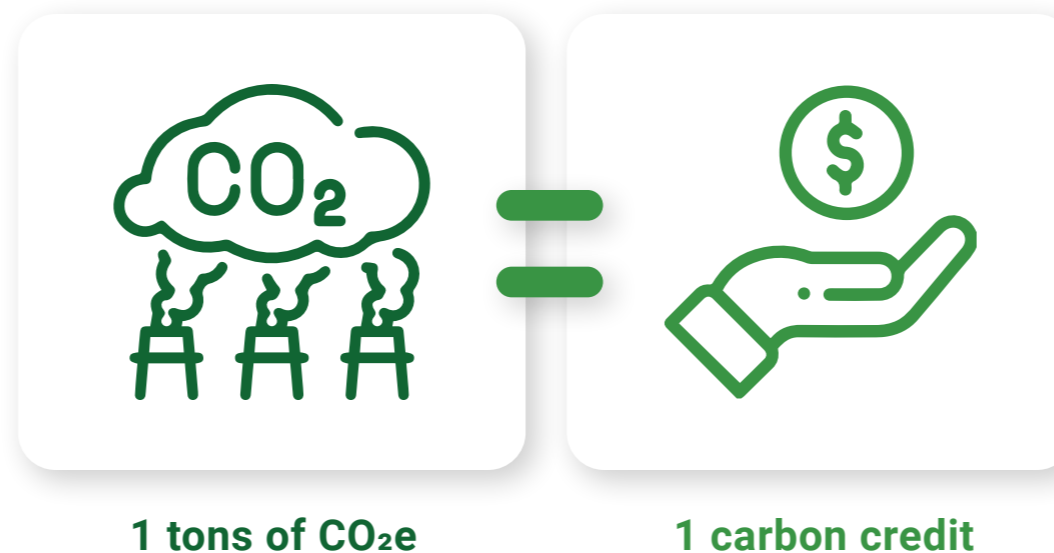
Environmental Finance's Voluntary Carbon Market Rankings Award

For the first time, ComBio was awarded the Voluntary Carbon Market Ratings Award by the Environmental Finance. In this edition, the company received the second-place award as the best project developer in the renewable energy category (Best Project Developer, Renewable Energy). The Voluntary Carbon Market Rankings annually evaluates various categories of the voluntary carbon market. The best companies are chosen through open voting by actual market players.

Carbon Credits [3-3]

What is a carbon credit?

A carbon credit represents one ton of CO₂ equivalent that has been sequestered or had its emission avoided in the atmosphere.



Why can ComBio generate credits?

Due to significant emissions reductions resulting from the substitution of fossil fuels with renewable ones in boilers, ComBio projects enable the generation of carbon credits that, once certified, are divided between the client and the company. Currently, all the company's projects are developed using methodologies for replacing fossil fuels with biomass.

Our Carbon Projects

- **Três Marias**

Três Marias is ComBio's first carbon credit generation project, validated in 2019. The project is registered under the Verified Carbon Standard (Verra), one of the main certification standards for voluntary carbon credits in the market. The first two batches of carbon credits were issued in 2019 and 2021, generating over 250,000 carbon credits in 4 years of operation. Currently, the company is finalizing the verification process for the third batch of credits, covering the period from April 2021 to March 2022.

In 2022, the company also received a positive opinion from Verra regarding its first SDG Report, a document that showcases the project's alignment with the Sustainable Development Goals (SDGs) and enables CORSIA certification.

- **Angatuba and Alumínio**

The Alumínio and Angatuba projects, carried out in partnership with CBA and Klabin, respectively, are in the final validation phase and are expected to generate credits starting in 2023. Both projects will have their credits issued under the Global Carbon Council (GCC) standard, which has been active in the voluntary carbon market since 2016. Together, they are projected to generate approximately 255,000 credits per year.

- **Piracicaba**

The project is being developed in one of Klabin's recycling and paper production factories. In partnership with our client, the project will be certified under the Gold Standard, one of the main carbon credit certification standards in the voluntary market. The expectation is to generate 35,000 carbon credits per year.

- **Roraima**

The project is being developed at the biomass power generation unit in Roraima, in partnership with Oxe. The project is in the validation stage under the GCC standard and is expected to generate approximately 90,000 carbon credits per year.



CORSIA

The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is the program of the International Civil Aviation Organization (ICAO) for the reduction and offsetting of CO₂ emissions from international flights. With the approval of its SDG Report, the first batch of Três Marias credits will become eligible for offsetting civil aviation emissions. The company is already working towards obtaining certification for its other projects as well.

The key highlights of the first SDG Report, covering the period from April 2017 to May 2018, are:

- SDG 7 (Affordable and Clean Energy): generation of 171,736 MWh of renewable energy, contributing to the increase of its share in the global energy matrix.
- SDG 8 (Decent Work and Economic Growth): increase of 23 job positions compared to the pre-project scenario, contributing to the generation of full and productive employment and decent work for all people.
- SDG 9 (Industry, Innovation and Infrastructure): investment of R\$ 1,066,483.92 in research, development, and innovation.
- SDG 12 (Responsible Consumption and Production): donation of 2,210 tons of ashes to a company that produces raw materials for cement and metal manufacturing, avoiding the disposal of ashes in landfills.
- SDG 13 (Climate Action): a reduction of 69,323 tCO₂e in the atmosphere.





Greenhouse Gas Emissions [3-3]

Since 2016, ComBio has had its direct emissions (Scope 1) and indirect emissions from electricity consumption (Scope 2) publicly disclosed with a gold seal in the Brazilian GHG Protocol Emissions Registry⁸.

From this year onwards, the category of “Agricultural Activities” has been included in Scope 1 (direct emissions) of the Inventory, for reporting emissions from the fertilizer use in forestry activities. Additionally, the categories of “Business Travel” and “Fuel and Energy-Related Activities not included in Scopes 1 and 2” will now be reported under Scope 3 (indirect emissions) of the company’s inventory. For the next year, it is expected to account for other Scope 3 sources, particularly those related to the biomass supply chain.

[305-1, 305-2, 305-3]

Scope Emissions 1	2020		2021		2022	
	CO ₂ e emissions (tons)	Biogenic CO ₂ emissions (tons)	CO ₂ e emissions (tons)	Biogenic CO ₂ emissions (tons)	CO ₂ e emissions (tons)	Biogenic CO ₂ emissions (tons)
Mobile combustion	3,484.22	458.41	2,944.64	479.22	6,795.53	1,112.76
Stationary combustion estacionária	13,274.64	684,242.54	17,137.63	902,864.73	16,434.04	865,809.36
Fugitive emissions	46.60	0.00	8.14	0.00	9.32	0.00
Agricultural emissions	Not accounted for				1,898.42	0.00
Scope Emissions 1 Total	16,805.46	684,700.95	20,090.40	903,343.95	25,137.31	866,922.12

⁸ <https://www.registropublicodeemissoes.com.br/participantes/1049>

Scope Emissions 2	2020		2021		2022	
	CO ₂ e emissions (tons)	Biogenic CO ₂ emissions (tons)	CO ₂ e emissions (tons)	Biogenic CO ₂ emissions (tons)	CO ₂ e emissions (tons)	Biogenic CO ₂ emissions (tons)
Location-based approach						
Electricity procurement	95.89	0.00	416.86	0.00	144.10	0.00
Scope Emissions 2 Total	95.89	0.00	416.86	0.00	144.10	0.00

Note:

- 1) The greenhouse gas (GHG) emissions inventory is conducted in accordance with the standards of the Brazilian GHG Protocol Program.
- 2) The calculation tool considers all gases (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃).
- 3) The consolidation approach used is operational control.
- 4) The electricity consumption data takes into account the Alumínio and Boituva units in addition to the overall grid.
- 5) The reduction in emissions compared to the previous year is due to the decrease in the average emission factor of the Brazilian National Interconnected System (SIN).

Scope Emissions 3	2020		2021		2022	
	CO ₂ e emissions (tons)	Biogenic CO ₂ emissions (tons)	CO ₂ e emissions (tons)	Biogenic CO ₂ emissions (tons)	CO ₂ e emissions (tons)	Biogenic CO ₂ emissions (tons)
Activities related to fuel and energy not included in Scopes 1 and 2	Not accounted for				412.57	0.00
Business travels	Not accounted for				139.87	0.00
Scope Emissions 3 Total	Not accounted for				552.44	0.00

Note:

- 1) The greenhouse gas (GHG) emissions inventory is conducted in accordance with the standards of the Brazilian GHG Protocol Program.
- 2) The calculation tool takes into consideration all gases (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃).

[305-4]

Greenhouse gas (GHG) emission intensity

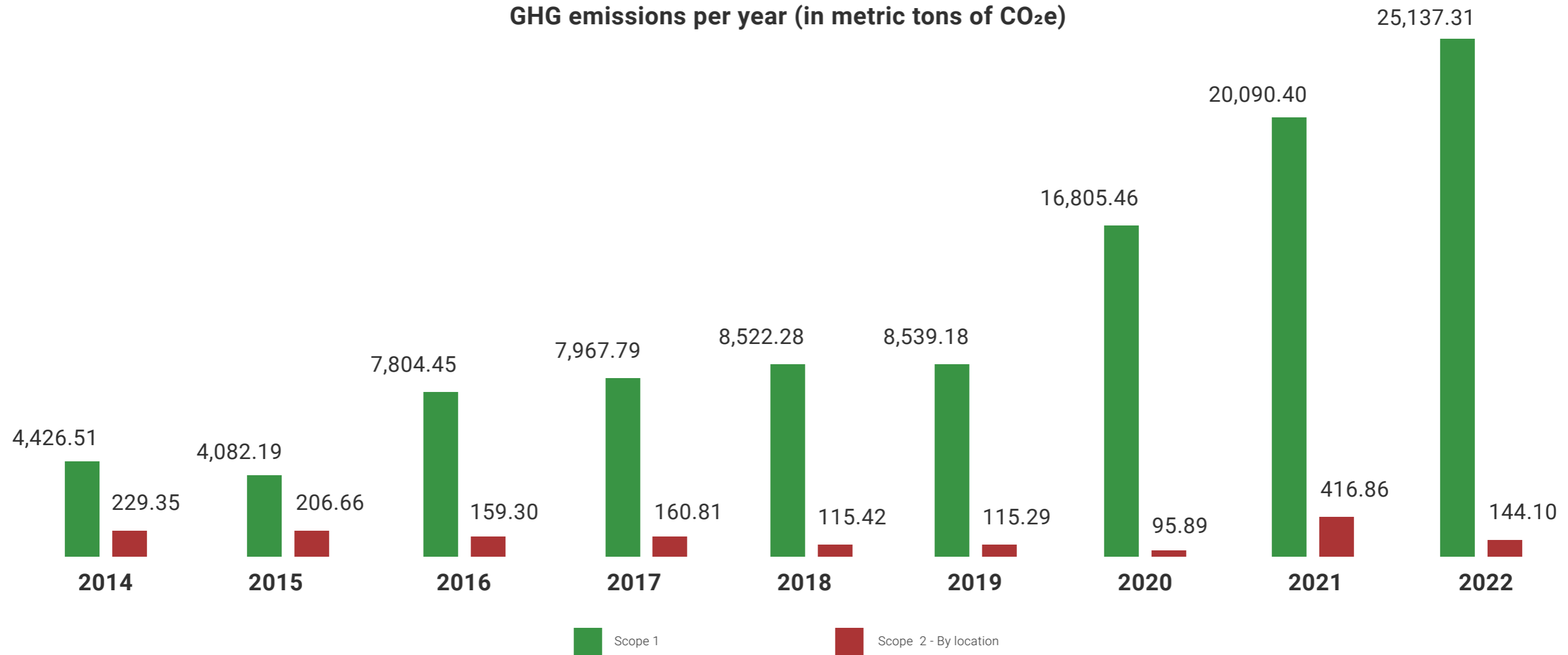
	2020	2021	2022
Scope 1 GHG emissions / Net revenue (R\$ thousand)	0.11	0.08	0.06

Nota:

- 1) The index takes into consideration scope 1 and 2 emissions.
- 2) The index considers all gases (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃).
- 3) Net revenue was obtained from the company’s financial statements, available on the Investor Relations website: <https://combioenergia.com.br/relacoes-com-investidores/>.

EMISSIONS HISTORY HIGHLIGHTS

GHG emissions per year (in metric tons of CO₂e)



Note:

The emissions inventories can be accessed directly through the Public Emissions Registry of the Brazilian GHG Protocol Program: <https://www.registropublicodeemissoes.com.br/participantes/1049>. directly through the Public Emissions Registry of the Brazilian GHG Protocol Program: <https://www.registropublicodeemissoes.com.br/participantes/1049>.

SUCCESS CASES BOOK OF THE SÃO PAULO ENVIRONMENTAL AGREEMENT - CETESB

In 2022, ComBio has received recognition for being among the 91 selected projects to be featured in the success cases book of the São Paulo Environmental Agreement by the Environmental Company of the State of São Paulo (CETESB)⁹. In that year, ComBio presented its new Mogi Guaçu (SP) UPV, which is currently under construction and is expected to start operations in the second half of 2023. The facility is projected to avoid approximately 200,000 tons of CO₂ emissions per year. ComBio is also mentioned in the case study of Companhia Brasileira de Alumínio (CBA), one of its clients, which highlights the project and the results achieved through the employment of biomass boilers at their facility. CBA also won the ECO Amcham Brazil 2022 Award in the Sustainability Practices category, Processes for Large Companies, by presenting the case carried out in partnership with ComBio.

⁹ The book can be accessed by the link: <https://lnkd.in/dKvMdPQb>

Energy [3-3]

In 2022, we consumed 8,768,431.93 GJ of energy within our organization, with 8,677,224.97 GJ from renewable sources and 91,206.96 GJ from non-renewable sources. The amount of steam supplied to our customers corresponds to 6,831,508.07 GJ.

[302-1]

Direct energy consumption (in gigajoules - GJ)

Renewable fuel	2020	2021	2022
Biomass	6,865,439.94	9,033,192.60	8,649,444.53
Biodiesel	5,381.08	4,503.50	9,438.94
Hydrated ethanol	696.63	1,960.15	6,109.51
Anhydrous ethanol	64.26	149.67	52.97
Non-renewable fuel	2020	2021	2022
Diesel oil	46,638.26	39,032.17	90,999.99
Gasoline	251.11	584.87	206.97



Electricity consumption (GJ)

Renewable	2020	2021	2022
Electricity	5,442.50	11,871.12	12,179.02

Consumo total de energia

	2020	2021	2022
Non-renewable fuel	0.68%	0.44%	1.04%
Renewable fuel	99.32%	99.56%	98.96%

Note:

- 1) Density and calorific value data were obtained from the IPCC 2006 and the National Energy Balance 2022 ("BEN 2022").
- 2) Specifically for steam production, the data is based on internal information.
- 3) This indicator has been updated to include both direct energy consumption and electricity consumption. [2-4]
- 4) The biomass conversion factor corresponds to wood residues, as it is the most representative raw material within our operation.

[302-3]

Energy intensity

Direct energy consumption (in GJ) / Net revenue (in R\$ thousand)	2020	2021	2022
	43.90	33.83	21.26

Note:

- 1) The index considers direct energy and electricity consumption (GJ).
- 2) Net revenue was obtained from the company's financial statements.

Atmospheric emissions [3-3]

The monitoring of atmospheric emissions from ComBio's boilers takes place at least once per year, in accordance with their permit's requirements. The boilers are equipped with bag filters and electrostatic precipitators to control atmospheric emissions. In 2022, the operations complied with the established limits as per local legislation.

[305-7]

Significant atmospheric emissions (in tons)

	2020	2021	2022
Particulate matter	347.80	541.12	531.46
NOx	326.53	601.01	417.98
SOx	16.08	23.42	30.18
CO	359.51	1107.14	520.60

Note:

- 1) The volumes were estimated based on the average emission rate multiplied by the number of hours in a year.
- 2) Data does not include emissions from the Porto Franco UPV.
- 3) Historical data were reformulated to better represent the reality of operations. [2-4]
- 4) In SOX, SOx, SO2 and SO3 are considered.



Waste Management [3-3]

Ash is ComBio's main byproduct generated during its operations, and given its nutrient-rich composition, the company focuses on finding new alternative disposal methods to divert it from landfills.

Currently, ash is disposed of through the following activities:

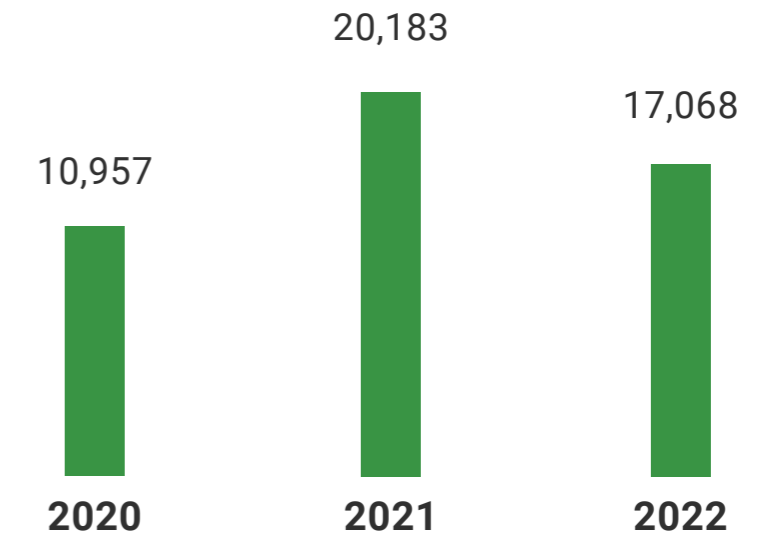
- Fertilizer production.
- Composting.
- Cement and metal production (co-processing).
- Ceramic production (co-processing).
- Manufacture of additives used in kiln burning.
- Spraying on molten steel.

Apart from ash, the waste disposal follows the waste management plan of their customers in steam production units (UPV), with ComBio being responsible only for proper packaging and transportation of waste to the designated collection sites indicated by the customers. In UPBs, the company is responsible for the disposal of the waste used during the operation.

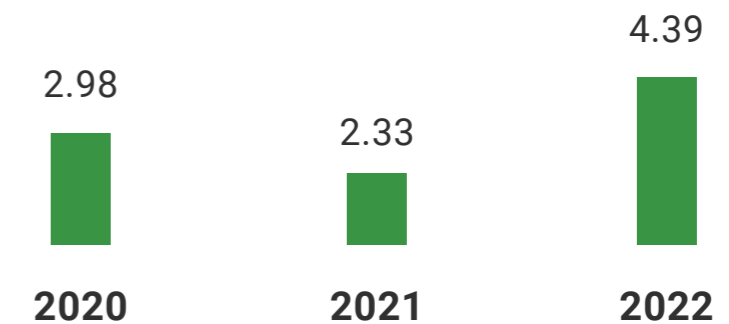
ComBio has guidelines for Operational Waste Management, which aim to establish safety and environmental guidelines for the management of solid and liquid waste generated by the company. Additionally, this topic is addressed in Environmental Impact Assessments (EIA).

[306-3]

Non-hazardous waste (tons)



Hazardous waste (tons)



Note:

- 1) The indicator does not include waste whose disposal is not the company's responsibility.
- 2) Hazardous waste includes auto oil, oil filters, contaminated packaging, and personal protective equipment (PPE).
- 3) Non-hazardous waste includes ash, scrap, cement and wood.

Water [3-3]

The supply of water for UPV operation falls under the customers responsibility. Therefore, water capture and treatment issues are outside the scope of ComBio's operational activities. ComBio's customers have Water Treatment Plants (WTP) and Effluent Treatment Plants (ETP) in their facilities and are required to provide water in acceptable quality standards for operations.

[303-5]

Operational water consumption (in megaliters)

Region	2020	2021	2021
Central-West	N/A	N/A	N/A
Northeast	2.53	4.37	0.54
North	107.51	104.87	115.24
Southeast	369.21	439.28	451.27
South	64.47	68.29	64.20
Total	543.71	616.81	631.26

Note:

- 1) The indicator does not include water consumption in administrative areas.
- 2) The company's operations are not located in areas with high or very high levels of water stress.
- 3) The 2020 and 2021 data has been updated to megaliters. [2-4]

Most of the UPV have condensate return, which means that the steam generated in the boiler is returned as condensed water, ranging from a 60% to 90% rate of return. In Três Marias,

condensate return does not occur due to contamination of the condensate with the client's process fluid, and the water is directed to the ETE. In UPV Barcarena, the condensate is also contaminated by the client's process, but in this case, the energy can be used for heating makeup water.



Additionally, ComBio aims to reduce bottom discharges, which directly reduces the incremental use of freshwater, contributing to water consumption reduction for the client.

Information Technology in Business

- Technology use in forest units

With the aim of improving processes related to biomass production units (UPB), the company has invested in computerizing relevant procedures and acquiring new technologies. The improvements include digitizing forest planning, using flight plans and HD maps, 3D terrain sorting and access, problem analysis and systematic reporting, as well as employing new technologies for biomass measurement.

- Compliance with LGPD regulations

ComBio has started a project to comply with the General Data Protection Law (LGPD) with the assistance of a specialized third-party consulting firm. The main objective of this initiative is to ensure that all areas have knowledge of and comply with the rules for the treatment and protection of personal data collected and generated within the company. The project encompasses activities such as: (i) diagnostics in all business areas, (ii) mapping the flow of sensitive data, (iii) development and revision of information security guidelines, and (iv) Action Plan for implementing improvements in systems and processes.



combi
energías renovables

SHARED SERVICES CENTER PROJECT

Due to ComBio's growth in recent years, it became necessary to update its back-office processes, including support areas such as Registration, Supplying, Tax, Accounting, Controlling, Finance, HR, IT, among others. As a result, a third-party consulting firm was hired to assist in aligning procedures with better market practices, internal controls, and improvement of performance and productivity indicators.

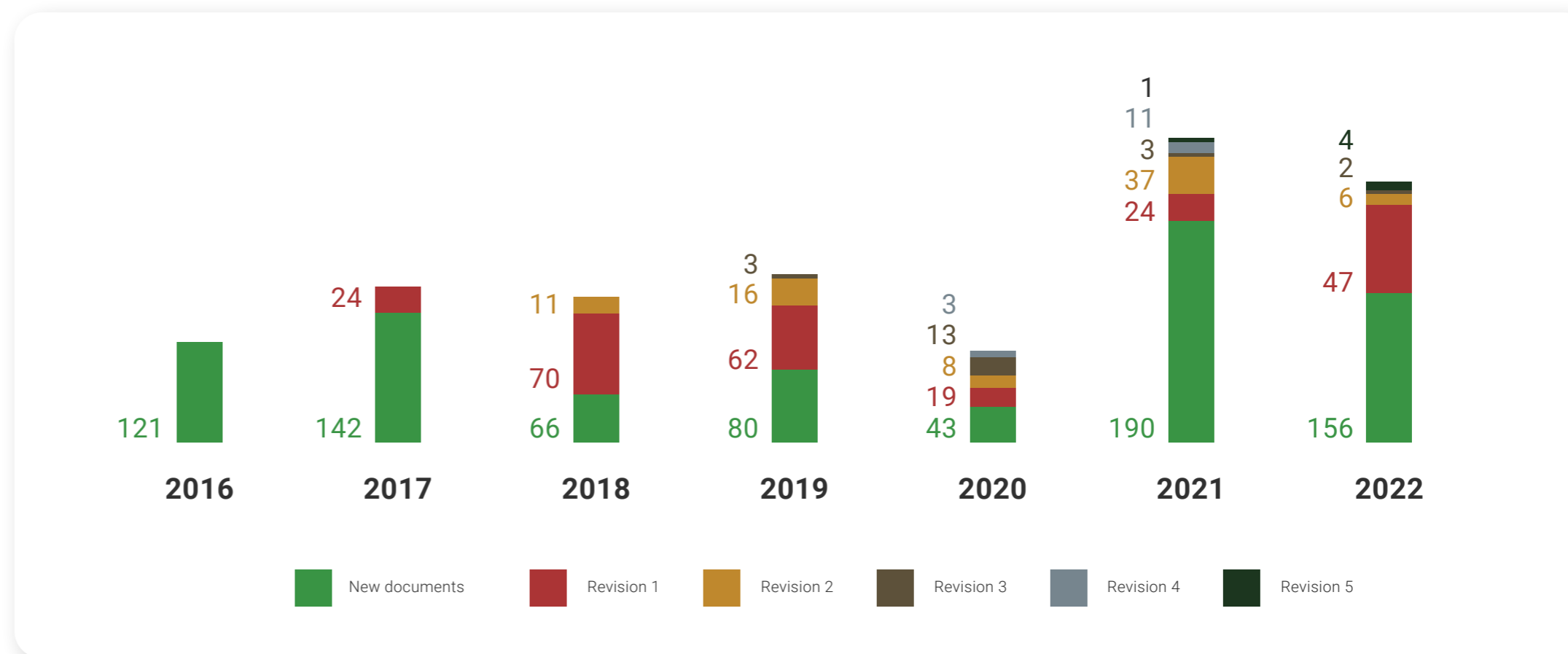
The initial stages of the project included meetings with managers from support and client areas, as well as workshops with employees. Subsequently, the diagnostic phase began, with a deeper examination of ComBio's current processes. Through the conducted analysis, the consulting firm provided technical guidance to help the company identify improvement opportunities.

The project was presented to and approved by the board of directors. The Shared Services Center (SSC) Project is already being implemented, starting with the Registration, GDI, Supplies, Facilities, and Accounts Payable areas, following the SSC methodology.

Quality Management System

The Quality Management System (QMS) plays an important role within the company by (i) promoting a culture of continuous improvement, (ii) mapping and standardizing processes, (iii) knowledge sharing, (iv) performance monitoring, and (v) acting as a facilitator in problem-solving through quality tools and methodologies. In the past four years, QMS programs primarily focused on the company's UPV. As of 2022, activities have been extended to forest operations and back-office areas.

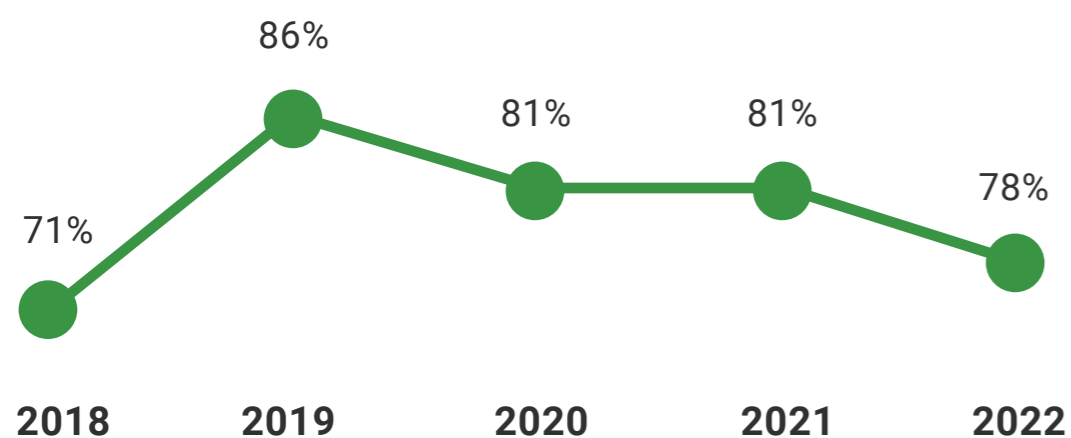
Mapping and standardization of processes through the development of guidelines and procedures are among the main activities of the department. Currently, ComBio has 436 published and active documents in its document management tool. In the past year, ComBio has developed 156 new documents and revised more than 50 existing ones.



The QMS checklist is also annually conducted to assess the alignment of the company's operations with the content described in its internal procedures. The purpose is to identify non-compliance or areas that require process improvement revisions.

Six pillars are evaluated in the checklist: operation, maintenance, HSE (health, safety, and environment), management, 5S (organization and cleanliness methodology), and quality. Over the years, the company has raised the passing score from 70% to 95% with the aim of striving for process execution excellence.

Performance on the QMS Checklist (ComBio average)



Nota:
Os resultados apresentados correspondem as operações industriais de geração de vapor.



QUALITY WEEK AT COMBIO

In November, the first workshop focused on quality management was held. Employees from the Projects and Implementation department took part in the summit. They are working in the construction of the two new UPVs in Mogi Guaçu (SP) and Balsa Nova (PR), in addition to the management and implementation of the EPCM contract for the new UCB Nova Campina

During the week, presentations were given to foster reflection regarding the activities carried out, with the aim of increasing productivity without compromising quality. The event sought to raise awareness among employees about the importance of quality in processes and recognize the practices already implemented.

EMPLOYEES [2-25, 3-3]



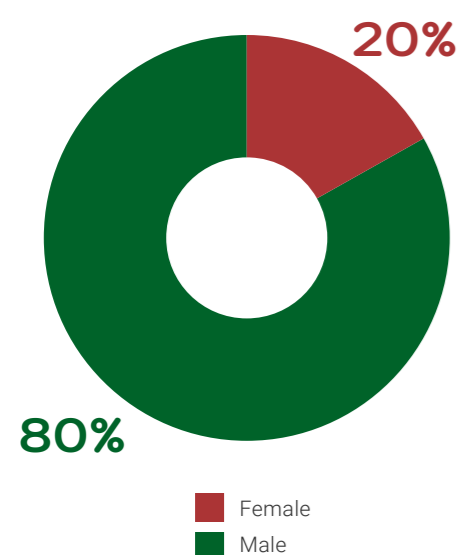
EMPLOYEES [3-3]

At the end of the year, there were 662 employees at the company, representing a 42% increase compared to the previous year. The increase is mainly due to the start of operations at the power plants in Roraima and the higher demand for administrative activities in our offices.

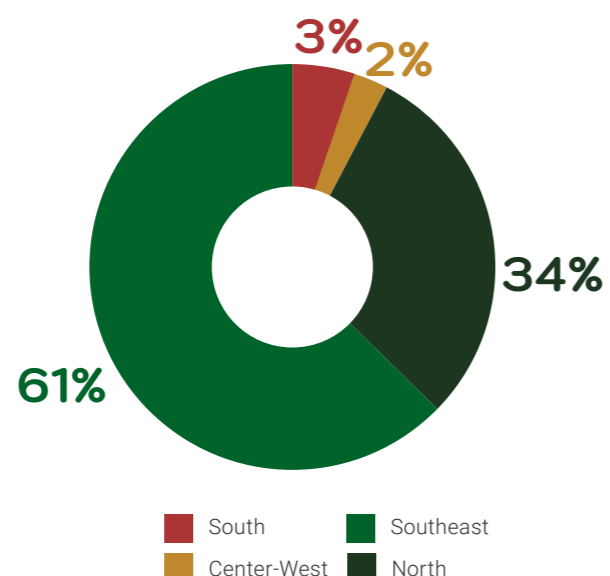
The People and Management department is also responsible for conducting surveys to monitor the organizational climate and for supporting and developing managers in leadership and people management skills.

[2 -7]

Employees by gender



Employees by region



LONG-TERM INCENTIVE PROGRAM [401-2]

In 2022, ComBio officially welcomed five executives into the partnership through the Long-Term Incentive Program (ILP). Since its foundation, ComBio has always aimed to be a partnership, enabling executives to become shareholders by converting their Profit-Sharing Bonus (PLR) into company shares. The equity-based compensation program was conceived in 2020, approved in 2021, and in 2022, all formalizations were made for the five executives to join the partnership.

Employees by gender and region	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Center-West	0	1	1	21	1	12
Northeast	0	17	2	18	1	1
North	1	13	13	106	25	201
Southeast	36	164	69	216	100	302
South	0	9	0	10	3	16
TOTAL	37	204	85	371	130	532

Note:

- 1) The employee data does not include non-executive board members of the company.
- 2) With the exception of interns, all employees are hired under permanent and full-time employment contracts (40 to 44 hours per week).
- 3) The data was extracted from the Datasul ERP as of December 31st of the reporting year.

Union negotiations [2-30]

The code of conduct includes a section on freedom of association, allowing employees to join unions and/or other types of associations. ComBio adheres to collective agreements and deploys all the defined terms in its labor relations with the covered categories, ensuring that all regular employees (98.5%) are covered by collective bargaining agreements, with the exception of interns (1.5%).

Diversity [3-3]

ComBio is committed to providing the necessary infrastructure for employees to perform their work under favorable conditions for their well-being and job performance, as well as fostering a respectful and healthy organizational climate.

The Code of Conduct defines the need for a respectful organizational climate that provides challenges, recognition, and professional growth, regarding every form of abusive conduct unacceptable. This includes moral, sexual, or any other type of harassment, as well as any act of discrimination and prejudice.

This also applies to the use of offensive language, intimidation practices, embarrassment, humiliation, insinuations, or any other form of disrespectful actions.

Regarding diversity, the company has seen a 1 percentage point increase in the representation of women among its employees. When it comes to age segregation, with the exception of interns, the majority of employees in other functional categories are between 30 and 50 years old.

The People and Management department is also responsible for conducting short surveys to monitor the organizational climate, leadership, and gather suggestions for improvement.

[405 -1]

Personnel by gender and job category	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Management Board	0%	100%	0%	100%	0%	100%
TOTAL	0%	100%	0%	100%	0%	100%
Director	0%	100%	0%	100%	0%	100%
Manager	22%	78%	27%	73%	7%	93%
Management employee	16%	84%	21%	79%	24%	76%
Specialist	20%	80%	17%	83%	10%	90%
Office worker	42%	58%	56%	44%	54%	46%
Operational worker	5%	95%	6%	94%	6%	94%
Intern	40%	60%	0%	100%	50%	50%
TOTAL	15%	85%	19%	81%	20%	80%

Personnel by job category and age group	2020			2021			2022		
	Under 30	Between 30 and 50	Over 50	Under 30	Between 30 and 50	Over 50	Under 30	Between 30 and 50	Over 50
Management Board	0%	33%	67%	0%	0%	100%	0%	0%	100%
TOTAL	0%	33%	67%	0%	0%	100%	0%	0%	100%
Director	0%	100%	0%	0%	86%	14%	0%	86%	14%
Manager	0%	100%	0%	0%	100%	0%	0%	93%	7%
Management employee	16%	80%	4%	24%	63%	13%	13%	74%	13%
Specialist	20%	40%	40%	17%	67%	17%	10%	85%	5%
Office worker	46%	54%	0%	55%	43%	2%	48%	51%	1%
Operational worker	26%	69%	6%	30%	64%	6%	23%	71%	5%
Intern	100%	0%	0%	100%	0%	0%	100%	0%	0%
TOTAL	29%	66%	5%	33%	61%	6%	29%	66%	5%

Note:

1) The data on regular employees does not include non-executive board members who are not part of the company's executive team.

2) There is one employee in the Director category who is also a member of the Board of Directors.

3) The data was extracted from the Datasul ERP system as of December 31 of the reporting year.

HUMANIZED RATING [2-29]

ComBio conducted the Humanized Rating for the first time. It consists of an assessment that expresses the quality of an organization's relationships with its multiple stakeholders, including leaders, employees, clients, partners, society, and the environment in general. The evolution of the rating reflects human and organizational development in multiple aspects, encompassing concepts such as transparency, ethics, diversity, innovation, and sustainability.

In its first year, ComBio had 498 respondents, with 83% coming from the internal sources and 17% from external sources. The number of participants falls within the ideal sample size according to the assessment methodology. The rating consists of 11 evolutionary levels (AAA, AA, A, BBB, BB, B, CCC, CC, C, D, and E), with the first level ("AAA") representing the highest development and the last level ("E") representing the lowest. In this first year, ComBio achieved a BBB rating, considered a high level within the rating scale, with maturity and quality of relationships above the market average.

The rating is an important tool for the company to understand and reflect on the quality of its relationships with stakeholders, as well as to identify ESG aspects of its business practices that can be further developed internally and externally.





START OF THE INTERNSHIP PROGRAM

In May, ComBio welcomed ten new interns selected from approximately 3,000 candidates to take part in the company's first Internship Program. The inaugural class consisted of young individuals divided into different areas. The program is structured in different cycles that include in-person meetings, consulting, and exchange of experiences to prepare them for their professional journeys. The internship program lasts for 18 months and is scheduled to conclude in October 2023.

Between July 25 and 29, the first Development Meeting took place. The interns took part in lectures on high-impact argumentation, assertive communication, time management, and productivity. They also presented project suggestions for improvements in their respective areas and had the opportunity to visit the operational areas in the Pilar do Sul forestry unit and the Piracicaba industrial unit.

The Internship Program is a way for ComBio to internally develop employees aligned with the company's culture. It also assists the professional growth of young individuals.



Benefits [3-3, 401-2]

- Medical assistance¹⁰.
- Dental assistance¹¹.
- Study scholarship plan.
- Discounts at pharmacies.
- Life insurance.
- Extended maternity and paternity leave.
- Possibility of annual bonuses based on goal achievement (Goals Program).
- Meal vouchers, on-site meals, or meal allowance.
- Transportation vouchers and/or fuel allowance.
- Chartered bus service.

The People and Management department holds monthly sessions to address employees' questions regarding labor procedures, benefits, payments, and other topics. It is also an opportunity for the People and Management team to connect with other departments, especially those located far from the central office.

¹⁰ There are no discounts for employees, only for dependents.

¹¹ There are no discounts for employees, only for dependents.



HEALTH AND WELL-BEING PROGRAM [403-6]

The program was designed with the aim of promoting actions that enhance knowledge and care for employees' health and well-being.

After conducting an internal survey to understand employees' profiles, an action schedule tailored to the participants' actual needs was developed. The program started in March and continued throughout the year. It is an ongoing program that is updated each year based on the mapping of ComBio's audience needs.

The first edition of the program involved specialized health professionals who shared their knowledge through lectures and e-books that support self-perception, mental health care, and incentives for a healthier lifestyle.

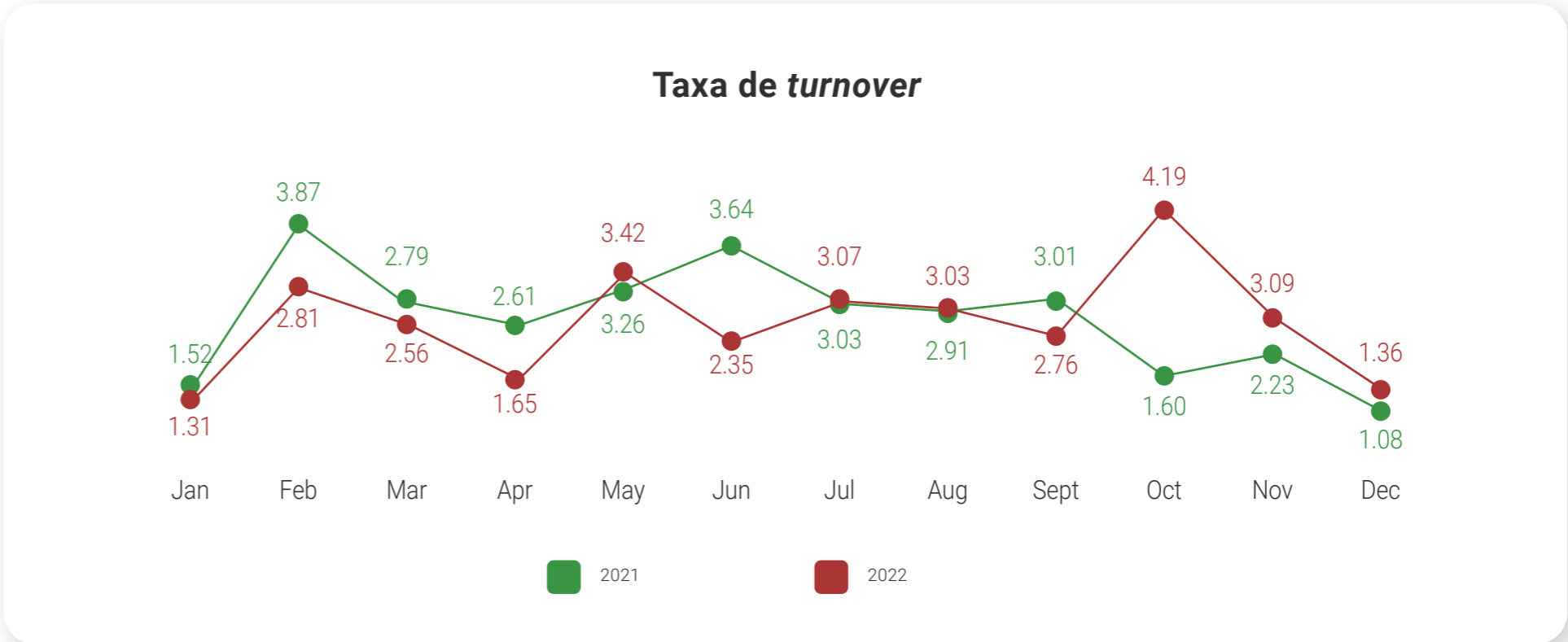
The program includes lectures on physical, mental, financial health, and self-perception for a healthier life; preventive campaigns and actions such as bioimpedance tests, vision exams, and vaccination; partners and benefits that encourage self-care, such as discounts at gyms and clubs; and partners that promote leisure activities.



Turnover [3-3, 401-1]

Throughout the year, 395 employees were hired. The high number of new hires is mainly due to the start of operations at the power plants in Roraima, where more than 200 employees were working in the industrial and biomass fronts, as well as increased demand for administrative activities, which led to an increase in the number of people in the company's offices.

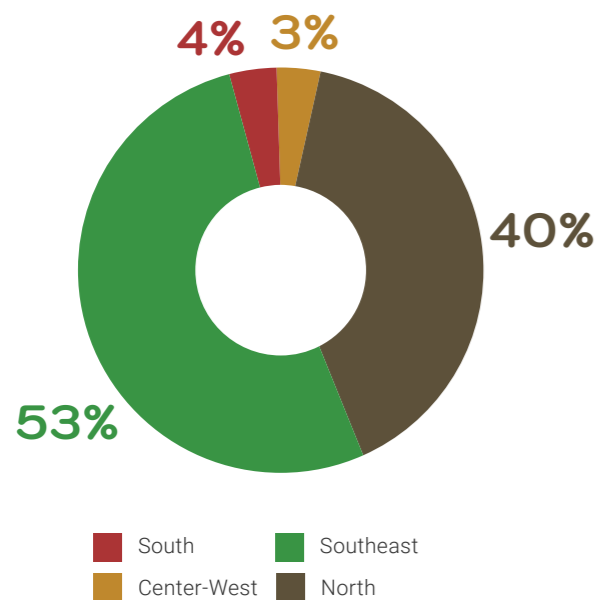
The average turnover rate was 2,63, the same one as last year's. To meet the high demand for hiring, ComBio relies on the support of an artificial intelligence tool specifically designed for the recruitment and selection process, enabling the optimization of candidate screening time.



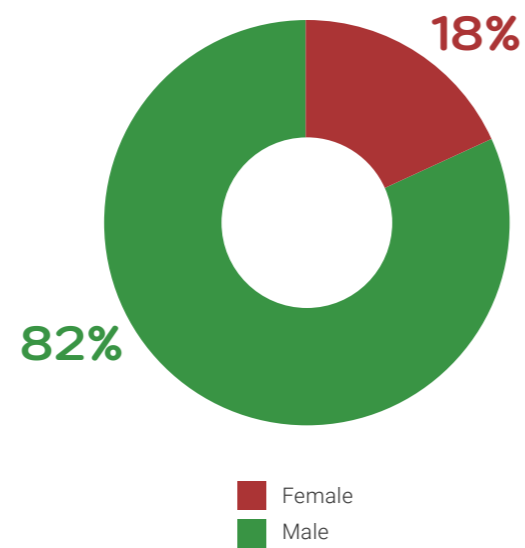
Note:

- 1) The data includes both voluntary and involuntary separations.
- 2) The data regarding full-time employees does not include non-executive board members.
- 3) Turnover rate: (number of voluntary and involuntary separations) / (number of active employees in the month) * 100.

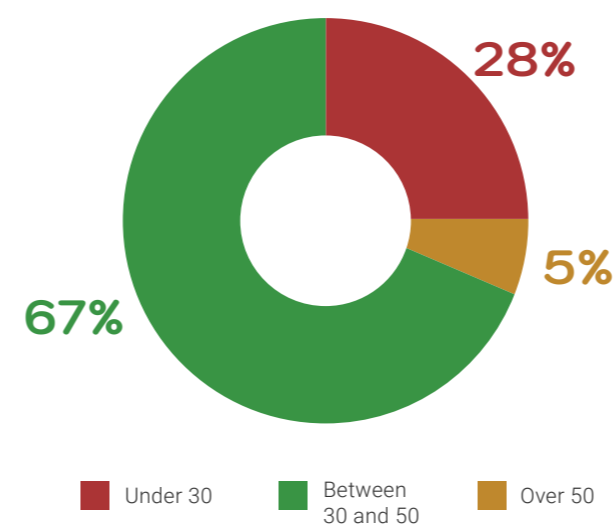
Admissions by Region



Admissions by Gender



Admissions by Age Group



Maternity and Paternity Leave

[3-3]

ComBio is part of the Empresa Cidadã Program, which allows for an extension of sixty days for maternity leave and fifteen days for paternity leave, totaling 120 and 20 days of leave, respectively.

All full-time employees of the company are entitled to take extended leave. In the year 2022, 100% of female employees who took leave returned to work and remained with the company for over a year.

Development [3-3, 404-2]

By developing its employees, the company contributes to creating a healthy environment that enhances the capabilities and skills of its teams. In this regard, ComBio has a structured employee development system:

- Institutional Integration (Onboarding Program) conducted in the first days of work with the aim of familiarizing new employees with ComBio's culture, promoting a continuous learning environment, and assisting the new employees in their adaptation.

[401-3]

Maternity/paternity leave	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Number of employees on leave	4	10	4	10	5	20
Number of employees who returned to work after the end of their leave	4	10	4	10	5	20
Number of employees who returned to work after the end of their maternity/paternity leave and remained employed twelve months after their return to work.	3	8	4	8	5	14
Return-to-work rate	100%	100%	100%	100%	100%	100%
Retention rate	75%	80%	100%	80%	100%	70%

- Profit Sharing Program (PLR), with the possibility of annual bonuses proportional to the achieved results. The program has been revamped, and the new calculation model take into consideration key performance indicators of the company and individual goals. After the revamp, the bonus can be up to 50% higher when compared to the previous program.
- Annual Performance Cycle is a tool focused on leadership evaluation, aimed at supporting the manager's development. Through this process, it is possible to assess the level of readiness in essential business competencies, as well as develop a basis for the Individual Development Plan and the Specific Goal Evaluation, a tool linked to the PLR Program. Among the main benefits of the Cycle are strengthening the organizational culture focused on meritocracy and feedback, leadership development, and alignment of expectations between the company and the employees.

The program underwent a process of restructuring throughout the year, and the main changes included the revamping of the questions in the 360-degree evaluation. For this new cycle, a new evaluation platform, Culture.Rocks, was used. The evaluation was organized into 4 stages:

- Self-evaluation;
- Leader evaluation;
- Team evaluation;
- Peer evaluation.

During 2022, 64 leaders took part in the evaluation, with 84% being men and 16% women. The adherence rate for each evaluation stage was the following:

[404-3]

Competency assessment participation rate (%)		
Assessment stage	Female	Male
Self-assessment	100%	96%
Manager responsible for the assessment process	100%	99%
Peer evaluation	100%	91%
Team responsible for the assessment process	77%	70%

- Feedback and Individual Development Plan are tools of the Performance Cycle aimed at stimulating reflection on career goals, mediation, aligning expectations for future performance, and jointly defining development actions between the leader and the employees. These actions aim to enhance the employees' competencies and can include on-the-job experiences, specific readings, training, participation in trade shows, or even undergraduate and post-graduate courses.
- People Reviews are conducted with area managers to monitor team performance and the progress of development plans. They are also an opportunity to support leadership in people management issues, enabling proactive action in problem situations and potentially avoiding unnecessary turnovers.

- The Scholarship Program is aimed at investing in employees' academic education based on position requirements and future challenges, favoring the acquisition of critical competencies for the business. In the last year, 13 employees received the benefit of a scholarship.



UNICOMBIO PLATFORM

ComBio launched UniComBio, an internal online course platform that can be accessed remotely via mobile and computer devices, with the aim of qualifying its employees.

UniComBio offers courses focused on developing behavioral competencies and specific technical knowledge related to the company's business. 15 courses were made available during the platform launch in October 2022, and after three months, 2,041 training hours were completed on the platform.

Taking into consideration all ComBio's training and development initiatives, such as online courses, mandatory, technical, and behavioral training, as well as institutional integration, employees accumulated over 10,000 hours of training throughout the year.

HEALTH AND SAFETY

[2-25, 3-3]



Health and Safety Management System [3-3, 403-1, 403-7]

The Health, Safety, and Environment (HSE) department manages the Health and Safety Management System, which includes employees assigned to operational units, offices in São Paulo and Piracicaba, and the laboratory. All employees are covered by the system, encompassing all operational and administrative units of the company. [403-8]

The department is responsible for managing expiration dates and scheduling occupational exams and safety training, planning and conducting health and safety campaigns, managing mandatory legal documents, risk assessments, incident investigation and control, and providing employees with personal protective equipment (PPE) and uniforms.

Activities are managed through a specialized system with four main functionalities: (i) analysis and management of occupational and environmental risks, (ii) document management and expiration control, (iii) management and handling of non-conformities, improvement opportunities, remarks, violations, among others, and (iv) identification, analysis, and monitoring of applicable legislation to the business.

As presented below, the company carried out various actions throughout the year to enhance the safety culture in ComBio units, through the dissemination of preventive and safe practices across all processes.

Maratona Regras Pela Vida (Lifes Rules Marathon)

Regras pela Vida (Life Rules) consist of 13 safety guidelines that define practices that must be rigorously followed, as they encompass the main critical risks in work activities. These rules are absolute, and non-compliance immediately triggers the consequence management process. The rules cover the following topics:

1. Alcohol and other drugs.
2. Restricted areas.
3. Task Safety Analysis (TSA) and Work Permit.
4. Communication, analysis, and investigation of accidents and incidents.
5. Energy isolation.
6. Confined spaces.
7. Lifting and moving loads.
8. Fall prevention.
9. Work with forestry machinery and equipment (forest machines, chainsaws, chippers).
10. Vehicles and mobile equipment.
11. Classified areas.
12. High-temperature surfaces and environments.
13. Work with ashes generated throughout the process.

In 2022, there was extensive promotion of the Rules pela Vida through actions such as the creation of the Maratona Regras Pela Vida (Regras Pela Vida Marathon), a competition between units created to interactively promote these guidelines. Specific trainings were also included in the UniComBio platform, and information was publicized by the board of directors, improving internal communications on this topic.



FIRST NATIONAL HSE MEETING AND SAFE BEHAVIOR EVENT

The first national Health, Safety, and Environment (HSE) meeting took place in May, in São Paulo. The goal was to gather the HSE team for the presentation of the Cultural Transformation Plan and the expected behaviors during the process of enhancing the safety culture.

The first two days were dedicated to immersion in values, best practices, and training with the participants. The third day was predominantly spent at the headquarters office, where the communication plan was presented. The remaining days included visits to the Boituva, Pilar do Sul, Alumínio, and Piracicaba units.

Over 20 people from all hierarchical levels took part in the event, including the COO, directors, managers, coordinators, and HSE supervisors and analysts spread across the five regions of the country. Meetings like this are crucial to ensure that employees in the same area speak the same language, create rules, and align expectations, contributing to the increased success rate in implementing internal processes related to health, safety, and environmental care.

In the same year, the Safe Behavior event took place, consisting of corporate team visits to the company's industrial and forestry units, with the aim of making a commitment to all employees to join efforts in adopting safe behaviors and prudent processes.



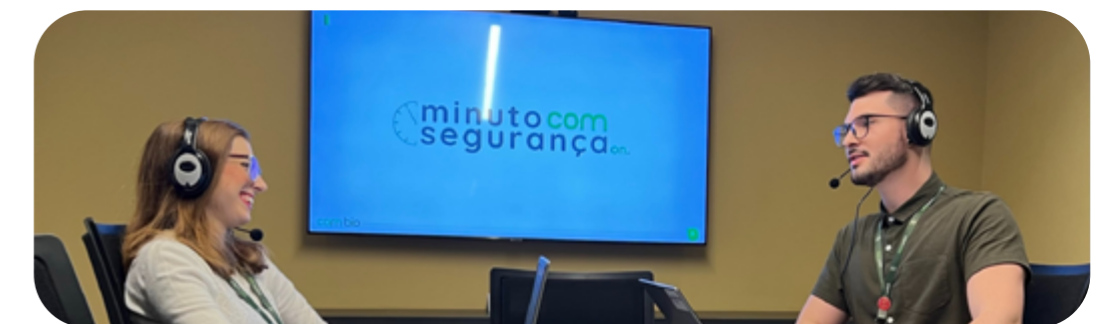
Risk Identification and Assessment [3-3, 403-2, 403-4, 403-6, 403-7]

The company follows internal guidelines for hazard identification and risk assessment for health and safety. After identifying a risk, an associated assessment is carried out for each hazard. First, an analysis is conducted to determine the probability of an accident occurring because of a person's interaction with a specific hazard. Subsequently, the severity of the consequences of an accident, should it occur, is evaluated based on the hazard. For all moderate or high-risk analysis results, the creation of an action plan is mandatory.

During risk assessment, the company takes into consideration audit reports, legal requirements information, recommendations from the Risk Management Program (PRG), and other relevant documents.

The company also implements various parallel mechanisms that contribute to risk identification and mitigation:

- “Minuto com Segurança” (Safety Minute): Daily meetings held in all operational units with the aim of preventing accidents, incidents, and occupational illnesses.



- “Minuto com Segurança On” (Safety Minute Online): Meetings aimed at reaching the administrative staff through bi-weekly online sessions on health and safety topics.
- “Fale Fácil” (Easy Speak): Enables quick and assertive communication of deviations, unsafe conditions that may lead to incidents or accidents, and opportunities for improvement. This tool is available to all employees through both digital and manual forms.
- “Dever de Recusa” (Right to Refuse): Ensures that employees and service providers, based on their training and experience, have the right to suspend their activities if they have a justified belief that their life, integrity, or the life and integrity of their colleagues are at an uncontrolled risk.
- Technical Reports: Documents prepared by third-party companies to evaluate workplace risks.
- Task Safety Analysis (AST) and Work Permit (PPT): Pre-assessment of the risks implicated in a specific activity and the respective authorization for activities involving critical risks for a specified period.
- General HSE Inspection: Detailed technical evaluation of all pillars of the HSE area, including verification of compliance with guidelines, procedures, and other documents.

Occupational Medicine Services [3-3, 403-3, 403-6, 403-7]

- Partnership with accredited clinics for conducting the Occupational Health Certificate (ASO) exams.
- Occupational Medical Control Program (PCMSO), Ergonomic Work Analysis (AET), and Technical Report on Environmental Conditions at Work (LTCAT).
- Worker health campaigns through lectures, games, contests, and guidance.
- Internal Week for the Prevention of Occupational Accidents (SIPAT) at the units, addressing topics related to health, safety at work, and the environment.
- Influenza Vaccination Campaigns.



LEADERSHIP WITH SAFETY

This year, the company also implemented the Leadership with Safety program, a leadership development project aimed at improving the application of behavioral safety methods and tools.

The program focuses on individual leadership development to enhance safety methods and tools, promote active care, and increase the safety culture. The main pillars of the program include:

- Calibrating risk perception, expanding and aligning concepts and tools of behavioral safety.
- Strengthening and developing the skills and vulnerabilities of each leader on an individual basis.
- Promoting maturity development in HSE.
- Integrating strategic planning with HSE actions.



AUTORIZADO
SISTEMA DE SEGURANÇA

com

Occupational Health and Safety Training [3-3, 403-5]

The company tracks mandatory training through a matrix that specifies applicable training for each position based on the activities performed and the associated risks. The control system is continuously updated to ensure compliance within the established validity period.

Some of the main training programs include Electrical Installation and Services Safety, Transport, Handling, and Storage of Materials, Safety in Machinery and Equipment Work, Safety and Health in Confined Spaces, Working at Heights, and Defensive Driving, which is provided to all ComBio employees, including those in administrative roles.

Communication, analysis, and investigation of accidents and incidents [3-3, 403-2]

Based on its values, ComBio continuously strives for operational excellence and prioritizes the safety of its employees in all activities. Therefore, there are specific procedures for communicating, analyzing, documenting, disclosing, and determining actions in case of occurrences.

According to the fourth Regra pela Vida, any incident or accident must be reported within a 48-hour timeframe, regardless of severity. When an incident happens, the employee, supplier, or

service provider must immediately report it to their immediate supervisor or the SSMA (Health, Safety, and Environment) representative of the unit. The SSMA representative must then inform the SSMA management for further actions.

Furthermore, conducting an analysis and investigation of the occurrence is mandatory. Incident management is carried out through a system and comprises of the following steps: (i) classification and assessment of the accident and incidents' severity, (ii) type and origin of the occurrence, (iii) detailed description of what happened, (iv) inclusion of images and photos, (v) root cause analysis, and (vi) development of an action plan containing corrective and preventive measures.



Work-related accidents [3-3] [403-9]

Work-related accidents	2020	2021	2022
Number of hours worked	526,459	954,998	1,667,794
Number of work accidents without leave of absence	5	1	7
Rate of work accidents without leave of absence	9.50	1.05	4.20
Number of work accidents with leave of absence	3	4	17
Rate of work accidents with leave of absence	5.70	4.19	10.19
Severity rate	108.27	63.87	60.56
Number of fatalities resulting from work accidents	0	0	0
Rate of fatalities resulting from work accidents	0	0	0

Note:

- 1) The indicator only takes into consideration full-time employees and typical accidents. The company is structuring control to consolidate information on third parties.
- 2) Rates were calculated based on 1,000,000 working hours.
- 3) There were no serious work-related accidents involving full-time employees.
- 4) The main agents/conditions related to its activities that pose risks of work accidents are working at heights, confined spaces, electricity, hot surfaces, noise, chemical particulates, fuels, flammable substances, etc.
- 5) ComBio has created procedures to prevent and mitigate risks, as well as investigate the causality of accidents and occupational diseases. Further details in the Investigation and Risk Assessment sections and Accident Investigation section. [403-10]

There were no records of work-related occupational diseases involving full-time employees. [403-10]

SUPPLY CHAIN [2-6, 3-3]



SUPPLY CHAIN [2-6, 3-3]

The company's main suppliers are Brazilian, with most of its equipment being nationally manufactured. Along with them, there are ongoing projects to develop new boilers to burn different types of biomasses and enhance their operation. Boiler manufacturers, biomass suppliers, carriers, and labor service providers represent the major costs within the supply chain.

[204-1]

Rate of local suppliers spending (in million – R\$)	2020	2021	2022
Amount spent on suppliers	R\$ 123.06	R\$ 147.49	R\$ 324.97
Amount spent on local suppliers	R\$ 67.04	R\$ 73.28	R\$ 153.85
Percentage of spending on local suppliers	54%	50%	47%

Note:

- 1) This indicator focuses on the most significant suppliers, which together represent 80% of the total expenditure in the supply chain.
- 2) Local suppliers are those located within an 80 km or less radius from our units via land routes.
- 3) All units that had expenditures on suppliers are taken into consideration in the reporting.
- 4) Expenditures that include services performed in various units are excluded from the calculation, such as electricity bills, employee benefits, and vehicle rentals.

The company's Code of Conduct prohibits slave labor and child labor, and it states that contracts with suppliers and customers who engage in such practices are strictly prohibited. Any employee who witnesses such conditions has an obligation to report the matter directly to the company's management team, who will immediately take the necessary steps to halt the occurrence and address those involved.



DOCUMENT MANAGEMENT AND SERVICE PROVIDER INTEGRATION

The Document Management and Integration (DMI) department manages documents of continuous service providers in our units. The department is responsible for requesting legal documentation, validating minimum criteria for commencing work, such as occupational exams and mandatory training, and transmitting the documents to our clients. It is also required that the contracted company complies with Brazilian labor laws and is up to date with documentation and financial obligations towards its employees.



**SOCIAL
PROJECTS
SUPPORT**



SOCIAL PROJECTS SUPPORT

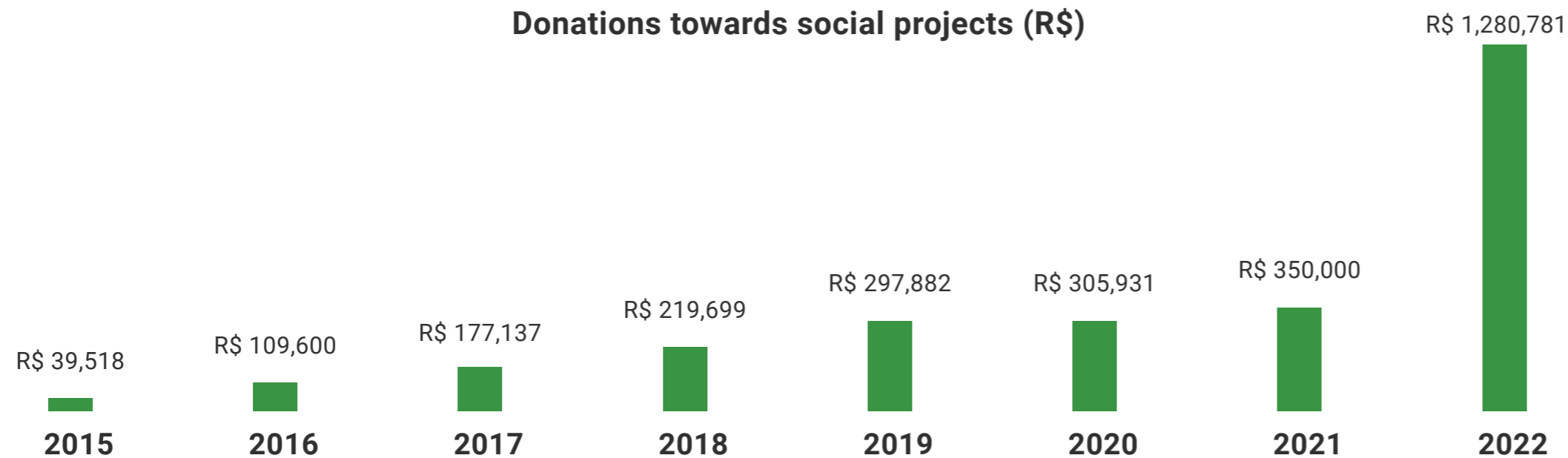
ComBio makes donations regarding ICMS (SP) and IRPJ for programs related to sports, culture, health, and music. Since 2015, the company has donated over R\$ 2.7 million to social

projects. In 2022, donations totaled R\$ 1.3 million distributed among nine different projects related to culture, sports, health, and sustainable development.

SUPPORTED PROJECTS

- A Cultura como Vetor de Desenvolvimento (Culture as a Vector for Development).
- Turma do Folclore – Lidando com as emoções (The Folklore Gang - Dealing with Emotions).
- EcoRun.
- Descobrimdo Tênis (Discovering Tennis).
- Rede Tênis Brasil (Brazil Tennis Network).
- Master SP Beach Tennis Championship.
- SP+B from Sistema B Brasil.
- Projeto Água Brasil - Érico Hiller (Brazilian Waters Project).
- Hospital de Amor – Idoso e Criança (Love Hospital - Elderly and Children).

Donations towards social projects (R\$)



SP+B
CIDADES + B

THE FOLKLORE GANG - DEALING WITH EMOTIONS

One of the projects supported by ComBio is the animation series Turma do Folclore (The Folklore Gang), which uses a playful approach towards Brazilian folklore adapted to children's language. The main characters face challenges related to sustainability and environmental preservation.



The project will launch a new series in the first half of 2023, titled "The Folklore Gang - Dealing with Emotions." The series had its storyline developed in partnership with ComBio, employing its activities related to circular economy practices as a reference. In one of the episodes, the animation presents a sustainability case that takes place in Barcarena (PA), where açai seeds, which are usually discarded in the streets or bodies of water, are now being used for energy generation.

SP+B FROM SISTEMA B BRASIL

ComBio was one of the sponsors of SP+B, a movement for a more prosperous, sustainable, and inclusive São Paulo. The initiative is inspired by Cidades+B, a global movement designed to mobilize people - citizens, government, and organizations - to collaborate in achieving the UN SDGs through a multistakeholder and decentralized governance approach.



**GRI CONTENT INDEX
IN ACCORDANCE
WITH GRI STANDARDS**

collina

desaerador

Declaration of use	ComBio Energia S.A. reported compliance with the GRI Standards from January 1, 2022, to December 31, 2022.
GRI 1 applied	GRI 1: Foundation 2021
Applicable Sector-specific Standard(s) of GRI	Not applicable

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
GENERAL CONTENTS				
GRI 2: General Disclosures 2021				
1. The organization and its reporting practices				
2-1	Organization details	6, 13	The company is a privately held corporation, with its headquarters at R. Fradique Coutinho, 30 - Pinheiros, São Paulo - SP, 05416-000.	N/A
2-2*	Entities included in the organization's sustainability report	-	The entity included in the sustainability report and the financial statements corresponds to ComBio Energia S.A, along with all its subsidiaries. Both documents are audited by PwC Brazil and are available on the Investor Relations page: https://combioenergia.com.br/relacoes-com-investidores/	N/A
2-3*	The reporting period, frequency, and point of contact	-	The sustainability report and financial statements of the company are published annually. Any questions and suggestions regarding the report can be sent to sustentabilidade@combioenergia.com.br . This report was released on July 31, 2023.	N/A

*Assured Indicator

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
2-4*	Information reformulations	44, 45, 46	Information reformulations are disclosed in explanatory notes near the adjusted data.	N/A
2-5*	External verification	6	Given the importance of promoting trust and transparency to its stakeholders and following guidelines set by the Board of Directors and the Executive Board, the company's sustainability report is audited by PwC Brazil. The auditors' assurance report, along with their respective opinion, can be found at the end of the report. Further details can also be found in the criteria and assumptions database located on the Investor Relations page: https://combioenergia.com.br/relacoes-com-investidores/ . The company does not have a formal policy regarding assurance.	N/A
2. Activities and personnel				
2-6*	Activities, value chain, and other business relationships	6, 10, 13, 18, 24, 25, 67, 68	N/A	N/A
2-7	Employees	51	Data on third-party, temporary, and non-guaranteed hours (service providers) employees are not reported	The company is in the process of establishing a foundation to consolidate such information. It is worth noting that most of these external employees are mobile and engaged in specific activities within the company's operations.

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
2-8	Non-employee workers	-	The company has contracts with several transportation, forestry, and cleaning companies that provide these services. The company estimates that it has approximately 265 workers in this category regularly involved in its operations.	N/A
3. Governance				
2-9	Governance structure and its composition	22	The Board of Directors has remained the same since its formation. Its structure does not include stakeholders or underrepresented social groups. In addition to their extensive knowledge of the company's business model, the directors possess relevant expertise in the financial market and human resources.	N/A
2-10	Appointment and selection for the highest governance body	-	The Board of Directors has remained the same since its formation. The structure of the board considers the following criteria: (i) an odd number of participants, (ii) appointment by the majority shareholder, (iii) independent position, (iv) executive position, and (v) competence of the participants. The committees were recently established, and the elected members are those who already have involvement with ComBio, whether as employees or directors, and have extensive experience and familiarity with the subject matter.	N/A

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
2-11	Chairperson of the highest governance body	-	The chairperson of the board is not a high-ranking executive of the company.	N/A
2-12	The role played by the highest governing body	-	The Board of Directors fulfills the role of approving and updating the mission statement, strategies, policies, and objectives related to sustainable development, as well as identifying and managing impacts on the economy, the environment, and people. These topics can be addressed in monthly meetings, with additional meetings held when necessary. Additionally, engagement with stakeholders primarily occurs through the Ethics Channel and relationship surveys conducted by the company. The observations and results are presented to the Board of Directors, which then discusses possible solutions monitoring the issue until it is effectively resolved. The frequency of effectiveness analysis depends on the specific process involved.	N/A
2-13	Delegation of responsibility related to impact management	-	The responsibility for impact management within the company is dictated by the specific theme involved. For example, the Chief Financial Officer (CFO) is responsible for economic issues, while the Chief Sustainability Officer (CSO) deals with environmental issues. These can also be discussed in the monthly meetings of the Board of Directors, excepting few cases.	N/A

*Assured Indicator

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
2-14	The role played by the highest governing body in sustainability reporting	-	The Sustainability Department is responsible for coordinating the production of this report in accordance with GRI Standards. Their activities include conducting interviews with different areas of the company to collect indicators and gather relevant information. The content of the report and the materiality study go through a validation process by the company's management and Board of Directors before publishing.	N/A
2-15*	Conflicts of interest	23	Up to this point, the company has not encountered any evident situations that could be characterized as conflicts of interest. Therefore, no reporting has been made to stakeholders regarding this issue. If any situation related to potential conflicts arises, the company will analyze the scenario and, if deemed necessary, publicly address the issue. The Code of Conduct serves as a guide for both internal and external relationships and includes a specific chapter on conflicts of interest. As the approving body of the Code of Conduct, the Board of Directors is responsible for monitoring and managing potential conflicts of interest and determining the appropriate solutions. They also remain attentive to the involvement of new management bodies, suppliers, shareholders, etc. Employees also have the responsibility to report potential cases through the Ethics Channel or directly to the board.	N/A

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
2-16	Communication of crucial concerns	-	The Board of Directors has been informed about a crucial concern: the significant increase in biomass prices in the market, which has resulted in a decrease in the company's margin.	N/A
2-17	Collective knowledge of the highest governing body	-	Roberto Véras, as the Director of Sustainability, is tasked with developing collective knowledge about sustainability and sharing experiences and information on the subject. The executive regularly participates in the monthly board meetings.	N/A
2-18	Evaluation of the performance of the highest governing body	-	The company does not yet have formalized performance evaluation processes. Such issues are discussed internally with the company's shareholders who monitor key indicators.	N/A
2-19	Compensation policies	-	ComBio currently does not have a remuneration policy for Board of Directors members. Independent directors currently receive only a fixed monthly remuneration. The executive director, in addition to his role as a director of the company, receives compensation and benefits similar to those of other employees, as presented throughout the report.	N/A

*Assured Indicator

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
2-20	Compensation determining process	-	ComBio has a Compensation and Salary Policy (including a salary grid and procedures for salary increases) where positions are gender-independent, preventing any form of discrimination and ensuring equal pay for equivalent work. These principles also apply equally to the recruitment of individuals and career development opportunities. The policy also establishes the observance of state-specific salary tables, taking into consideration a fair wage based on the locality of operation. Instances of salary differences among employees in the same position may occur due to length of service and performance evaluations, emphasizing meritocracy as a management practice. However, it is always within the approved salary range for that position/role. The Board of Directors oversees the executive determination process. In general, employee remuneration is defined by the People and Management department of the company.	N/A
2-21	Proportion of total annual compensation.	-	This indicator is not reported.	Remuneration indicators are not reported as they are considered strategic to the company.

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
4. Strategy, policies, and practices.				
2-22	Sustainable development strategy statement	4	N/A	N/A
2-23	Policy commitments	23, 24, 25	ComBio informally applies the precautionary principle to its internal guidelines and procedures aimed at preventing the impacts of risks in various areas of the company. Additionally, the topic is also addressed in the questionnaires of the B Corp and Global Compact initiatives. The company does not yet have a specific policy on respecting human rights, but the issue is considered in its commitments as a "B Corporation" and a signatory of the Global Compact. Furthermore, the topic is addressed in its Code of Conduct.	N/A
2-24	Incorporation of policy commitments	23	N/A	N/A
2-25	Processes for repairing negative impacts	23, 37, 50, 61	There has been no involvement of stakeholders in the design, review, operation, and improvement of complaint mechanisms. However, the company regularly monitors the complaints received and takes the necessary actions with the support of a third-party company that manages the Ethics Channel.	N/A

*Assured Indicator

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
2-26	Mechanisms for counseling and raising concerns	23	N/A	N/A
2-27*	Compliance with laws and regulations	-	There have been no cases of non-compliance with laws and regulations during the reporting period	N/A
2-28	Participation in associations	24, 25	N/A	N/A
5. Stakeholder engagement				
2-29	<i>Approach to stakeholder engagement</i>	6, 7, 8, 23, 53	N/A	N/A
2-30	Collective bargaining agreements	52	Even though the negotiation agreements do not apply to interns, the company aims to provide benefits and ensure the well-being and appropriate working conditions for this category.	N/A
SPECIFIC CONTENT				
Material topics				
GRI 3: Material Topics 2021				
3-1*	Material topics definition process	6, 7, 8	N/A	N/A
3-2*	List of material topics	6, 7, 8	N/A	N/A

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
Material topic: Biomass supply				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	7, 8, 35, 36, 67, 68	N/A	N/A
GRI 204: Procurement Practices 2016				
204-1*	Local suppliers spending rate	68	N/A	N/A
GRI 301: Materials 2016				
301-1*	Materials used, broken down by weight or volume	36	N/A	N/A
Material topic: People Management				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	7, 8, 50 a, 52, 56, 58 a, 60	N/A	N/A

*Assured Indicator

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
GRI 401: Employment 2016				
401-1	New hires and employee turnover	58	The report does not include a breakdown of turnover rate by age group, gender, and region, nor does it report other types of turnover rates.	The company's report currently only calculates the turnover rate on a monthly basis, without providing the breakdown as described by the indicator. The company will direct efforts to comply with the requirements of the standard and provide the requested segregation in future reports.
401-2	Benefits offered to full-time employees that are not provided to temporary or part-time employees.	51, 56	The company does not provide disability and invalidity assistance or private pension as benefits to its employees.	N/A
401-3	Maternity/paternity leave	59	N/A	N/A

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
GRI 404: Training and Education 2016				
404-2	Programs for employee skills development and career transition assistance	59	N/A	N/A
404-3	Percentage of employees receiving regular performance and career development evaluations	60	With the exception of leadership, the remaining categories were not reported as they were not included in the performance evaluation scope.	Due to the program restructuring, performance evaluations were focused on leadership roles.
Material topic: Ethical Governance and Transparency				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	7, 8, 22, 23	N/A	N/A
GRI 205: Anti-Corruption 2016				
205-3*	Confirmed cases of corruption and actions taken	24	N/A	N/A
GRI 206: Unfair Competition 2016				
206-1*	Legal actions related to unfair competition, antitrust practices, and monopoly	24	N/A	N/A

*Assured Indicator

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
Material topic: Innovation and Operational Efficiency				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	7, 8, 30, 31, 33, 34	N/A	N/A
GRI 201: Economic Performance 2016				
201-4*	Government financial support	34	The company only receives tax incentives for investments in research and development (R&D) through the "Lei do Bem" (Good Law). There is no government participation in the company's shareholding structure.	N/A
Material topic: Climate Change				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	7, 8, 38 a 40, 42, 44 a 46	N/A	N/A
GRI 302: Energy 2016				
302-1*	Energy consumption within the company.	44	Sales of electricity, heating, or cooling are not applicable to the company's business.	N/A
302-3*	Energy intensity.	44	N/A	N/A

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
GRI 305: Emissions 2016				
305-1*	Direct emissions (Scope 1) of greenhouse gases (GHGs)	42	N/A	N/A
305-2*	Indirect emissions (Scope 2) of greenhouse gases (GHGs) from energy procurement	42	N/A	N/A
305-3*	Other indirect emissions (Scope 3) of greenhouse gases (GHGs)	42	N/A	N/A
305-4*	Intensity of greenhouse gas emissions (GHG).	42	N/A	N/A
305-7*	Emissions of NOX, SOX, and other significant atmospheric emissions.	45	POP (Persistent Organic Pollutants), VOC (Volatile Organic Compounds), and HAP (Hazardous Air Pollutants) are not applicable to the company's business.	N/A
Material topic: Health and Safety				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	7, 8, 61 a 64, 66	N/A	N/A

*Assured Indicator

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
GRI 403: Occupational Health and Safety 2018				
403-1*	Occupational Health and Safety Management System	62	The Health, Safety, and Environment management system of ComBio includes compliance with mandatory requirements outlined in the Regulatory Standards (NRs) - Law No. 6,514, dated December 22, 1977 - and other relevant legislations. Compliance with applicable regulations is monitored through the Legal module of the Âmbito System. Additionally, the system is based on the PDCA (Plan, Do, Check, Act) methodology as per ISO 45001, according to which it is planned, supported, evaluated, and improved.	N/A
403-2*	Hazard Identification, Risk Assessment, and Incident Investigation	63, 66	N/A	N/A
403-3*	Occupational Health Services	64	N/A	N/A
403-4*	Worker Participation, Consultation, and Communication on Occupational Health and Safety	63	N/A	N/A
403-5*	Training of Workers in Occupational Health and Safety	66	N/A	N/A
403-6*	Promotion of Worker Health	57, 63, 64	N/A	N/A

*Assured Indicator

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
403-7*	Prevention and Mitigation of Occupational Health and Safety Impacts directly linked to business relationships	62, 63, 64	N/A	N/A
403-8*	Workers covered by an Occupational Health and Safety Management System	62	N/A	N/A
403-9*	Workplace accidents	66	N/A	N/A
403-10*	Occupational diseases	66	N/A	N/A
Relevant topic: Water and Effluents				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	46	N/A	N/A
GRI 303: Water and Effluents 2018				
303-5*	Water consumption	46	N/A	N/A

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
Relevant topic: Economic and Financial Performance				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	29	N/A	N/A
GRI 201: Economic Performance 2016				
201-1*	Direct economic value generated and distributed	29	The company provides some considerations regarding the increase in revenues and costs in comparison with the previous year. Throughout 2022, there was a significant increase in the price of biomass, and in response to this scenario, a portion of the increase was passed on to customers. Additionally, the values include the provision of services in Roraima, an operation that was discontinued in 2023. Due to the nature of the service provided, the operational indicators presented throughout the report do not encompass the amount of electricity generated and biomass consumed in Roraima.	N/A
Relevant topic: Human Rights, Diversity, and Inclusion				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	52	N/A	N/A

GRI Standard	Content	Page	Responses or omitted requirements	Reasons
405: Diversity and Equal Opportunities 2016				
405-1	Diversity in governance bodies and employees	22, 52	N/A	N/A
Relevant topic: Waste Management				
GRI 3: Material Topics 2021				
3-3*	Management of material topics	45	N/A	N/A
GRI 306: Waste 2020				
306-3*	Generated waste	45	N/A	N/A

*Assured Indicator

A hand is pointing to a technical drawing on a blueprint. The drawing shows a complex structure with various components and lines. A white teardrop-shaped overlay is positioned on the left side of the image, containing the text 'ASSURANCE REPORT'. The background is a light blue color with a subtle pattern of lines and shapes, suggesting a technical or architectural theme. The overall image conveys a sense of precision and attention to detail.

ASSURANCE REPORT

Independent auditor's limited assurance report on the non-financial information included in the 2022 Sustainability Report

To the Board of Directors and Stockholders

ComBio Energia S.A. - ComBio

São Paulo - SP

Introduction

We have been engaged by ComBio Energia S.A. - ComBio ("Company" or "ComBio") to present our limited assurance report on the non-financial information included in the 2022 Sustainability Report of ComBio for the year ended December 31, 2022.

Our limited assurance does not cover prior-period information, or any other information disclosed together with the 2022 Sustainability Report, including any incorporated images, audio files or videos.

Responsibilities of the management of ComBio

The management of ComBio is responsible for:

- selecting or establishing adequate criteria for the preparation and presentation of the information included in the 2022 Sustainability Report;
- preparing the information in accordance with the criteria and guidelines of the Global Reporting Initiative (GRI-Standards), and with the basis of preparation developed by the Company;
- designing, implementing and maintaining internal controls over the significant information for the preparation of the information included in the 2022 Sustainability Report, which is free from material misstatement, whether due to fraud or error.

Independent auditor's responsibility

Our responsibility is to express a conclusion on the non-financial information included in the 2022 Sustainability Report, based on our limited assurance engagement carried out in accordance with the Technical Communication CTO 01 - Issuance of Assurance Reports related to Sustainability and Social Responsibility, issued by the Federal Accounting Council (CFC), based on the Brazilian standard NBC TO 3000, "Assurance Engagements Other than Audit and Review", also issued by the CFC, which is equivalent to the international standard ISAE 3000, "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board (IAASB). Those standards require that the auditor complies with ethical requirements, independence requirements, and other responsibilities of these standards, including those regarding the application of the Brazilian Quality Control Standard (NBC PA 01) and, therefore, the maintenance of a comprehensive quality control system, including documented policies and procedures on the compliance with ethical requirements, professional standards and relevant legal and regulatory requirements.

Moreover, the aforementioned standards require that the work be planned and performed to obtain limited assurance that the non-financial information included in the 2022 Sustainability Report, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with the Brazilian standard NBC TO 3000 and ISAE 3000 mainly consists of making inquiries of management and other professionals of ComBio involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that allows us to issue a limited assurance conclusion on the information, taken as a whole. A limited assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that lead him to believe that the information disclosed in the 2022 Sustainability Report taken as a whole might present significant misstatements.

The procedures selected are based on our understanding of the aspects related to the compilation, materiality, and presentation of the information included in the 2022 Sustainability Report, other circumstances of the engagement and our analysis of the activities and processes associated with the significant information disclosed in the 2022 Sustainability Report, in which significant misstatements might exist. The procedures comprised, among others:

- (a) planning the work, taking into consideration the materiality and the volume of quantitative and qualitative information and the operating and internal control systems that were used to prepare the information included in the 2022 Sustainability Report;
- (b) understanding the calculation methodology and the procedures adopted for the compilation of indicators through inquiries of the managers responsible for the preparation of the information;

- (c) applying analytical procedures to quantitative information and making inquiries regarding the qualitative information and its correlation with the indicators disclosed in the 2022 Sustainability Report; and
- (d) when non-financial data relate to financial indicators, comparing these indicators with the financial statements and/or accounting records.

The limited assurance engagement also included the analysis of the compliance with the guidelines and criteria of the Global Reporting Initiative (GRI-Standards), and the provisions established in the basis of preparation developed by the Company.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Scope and limitations

The procedures applied in a limited assurance engagement vary in nature and timing and are less detailed than those applied in a reasonable assurance. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level that would be obtained in a reasonable assurance engagement. If we had performed a reasonable assurance engagement, we might have identified other matters and possible misstatements in the information included in the 2022 Sustainability Report. Therefore, we do not express an opinion on this information.

Non-financial data are subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate and estimate these data. Qualitative interpretations of the relevance, materiality, and accuracy of the data are subject to individual assumptions and judgments. Furthermore, we did not consider in our engagement the data reported for prior periods nor future projections and goals.

The preparation and presentation of non-financial information and indicators followed the definitions of the basis of preparation developed by the Company and the guidelines of the Global Reporting Initiative (GRI-Standards) and, therefore, the information included in the 2022 Sustainability Report does not have the objective of providing assurance with regard to the compliance with social, economic, environmental or engineering laws and regulations. However, the aforementioned standards establish the presentation and disclosure of possible cases of non-compliance with such regulations when sanctions or sig-

nificant fines are applied. Our limited assurance report should be read and understood in this context, inherent to the criteria selected and previously mentioned in this paragraph.

Conclusion

Based on these procedures performed, described herein, and on the evidence obtained, no matter has come to our attention that causes us to believe that the non-financial information included in the 2022 Sustainability Report of ComBio has not been prepared, in all material respects, in accordance with the criteria of the basis of preparation and guidelines of the Global Reporting Initiative (GRI-Standards).

São Paulo, July 31, 2023

PricewaterhouseCoopers

Auditores Independentes Ltda.

CRC 2SP000160/O-5

Maurício Colombari

Contador CRC 1SP195838/O-3

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Demonstrações financeiras em 31 de dezembro de 2022 e relatório do auditor independente



Relatório do auditor independente sobre as demonstrações financeiras

Aos Administradores e Acionistas
Combio Energia S.A.

Opinião

Examinamos as demonstrações financeiras da Combio Energia S.A. ("Companhia"), que compreendem o balanço patrimonial em 31 de dezembro de 2022 e as respectivas demonstrações do resultado, do resultado abrangente, das mutações do patrimônio líquido e dos fluxos de caixa para o exercício findo nessa data, bem como as correspondentes notas explicativas, incluindo as políticas contábeis significativas e outras informações elucidativas.

Em nossa opinião, as demonstrações financeiras acima referidas apresentam adequadamente, em todos os aspectos relevantes, a posição patrimonial e financeira da Combio Energia S.A. em 31 de dezembro de 2022, o desempenho de suas operações e os seus fluxos de caixa para o exercício findo nessa data, de acordo com as práticas contábeis adotadas no Brasil.

Base para opinião

Nossa auditoria foi conduzida de acordo com as normas brasileiras e internacionais de auditoria. Nossas responsabilidades, em conformidade com tais normas, estão descritas na seção a seguir intitulada "Responsabilidades do auditor pela auditoria das demonstrações financeiras". Somos independentes em relação à Companhia, de acordo com os princípios éticos relevantes previstos no Código de Ética Profissional do Contador e nas normas profissionais emitidas pelo Conselho Federal de Contabilidade, e cumprimos com as demais responsabilidades éticas conforme essas normas. Acreditamos que a evidência de auditoria obtida é suficiente e apropriada para fundamentar nossa opinião.

Responsabilidades da administração pelas demonstrações financeiras

A administração da Companhia é responsável pela elaboração e adequada apresentação das demonstrações financeiras de acordo com as práticas contábeis adotadas no Brasil e pelos controles internos que ela determinou como necessários para permitir a elaboração de demonstrações financeiras livres de distorção relevante, independentemente se causada por fraude ou erro.

Na elaboração das demonstrações financeiras, a administração é responsável pela avaliação da capacidade de a Companhia continuar operando, divulgando, quando aplicável, os assuntos relacionados com a sua continuidade operacional e o uso dessa base contábil na elaboração das demonstrações financeiras, a não ser que a administração pretenda liquidar a Companhia ou cessar suas operações, ou não tenha nenhuma alternativa realista para evitar o encerramento das operações.

Responsabilidades do auditor pela auditoria das demonstrações financeiras

Nossos objetivos são obter segurança razoável de que as demonstrações financeiras, tomadas em conjunto, estão livres de distorção relevante, independentemente se causada por fraude ou erro, e emitir relatório de auditoria contendo nossa opinião. Segurança razoável é um alto nível de segurança, mas não uma garantia de que a auditoria realizada de acordo com as normas brasileiras e internacionais de auditoria sempre detectam as eventuais distorções relevantes existentes. As distorções podem ser decorrentes de fraude ou erro e são consideradas relevantes quando, individualmente ou em conjunto, possam influenciar, dentro de uma perspectiva razoável, as decisões econômicas dos usuários tomadas com base nas referidas demonstrações financeiras.



Combio Energia S.A.

Como parte de uma auditoria realizada de acordo com as normas brasileiras e internacionais de auditoria, exercemos julgamento profissional e mantemos ceticismo profissional ao longo da auditoria. Além disso:

- Identificamos e avaliamos os riscos de distorção relevante nas demonstrações financeiras, independentemente se causada por fraude ou erro, planejamos e executamos procedimentos de auditoria em resposta a tais riscos, bem como obtemos evidência de auditoria apropriada e suficiente para fundamentar nossa opinião. O risco de não detecção de distorção relevante resultante de fraude é maior do que o proveniente de erro, já que a fraude pode envolver o ato de burlar os controles internos, conluio, falsificação, omissão ou representações falsas intencionais.
- Obtemos entendimento dos controles internos relevantes para a auditoria para planejarmos procedimentos de auditoria apropriados às circunstâncias, mas não com o objetivo de expressarmos opinião sobre a eficácia dos controles internos da Companhia.
- Avaliamos a adequação das políticas contábeis utilizadas e a razoabilidade das estimativas contábeis e respectivas divulgações feitas pela administração.
- Concluímos sobre a adequação do uso, pela administração, da base contábil de continuidade operacional e, com base nas evidências de auditoria obtidas, se existe incerteza relevante em relação a eventos ou condições que possam levantar dúvida significativa em relação à capacidade de continuidade operacional da Companhia. Se concluirmos que existe incerteza relevante, devemos chamar atenção em nosso relatório de auditoria para as respectivas divulgações nas demonstrações financeiras ou incluir modificação em nossa opinião, se as divulgações forem inadequadas. Nossas conclusões estão fundamentadas nas evidências de auditoria obtidas até a data de nosso relatório. Todavia, eventos ou condições futuras podem levar a Companhia a não mais se manter em continuidade operacional.
- Avaliamos a apresentação geral, a estrutura e o conteúdo das demonstrações financeiras, inclusive as divulgações e se essas demonstrações financeiras representam as correspondentes transações e os eventos de maneira compatível com o objetivo de apresentação adequada.

Comunicamo-nos com os responsáveis pela governança a respeito, entre outros aspectos, do alcance e da época dos trabalhos de auditoria planejados e das constatações significativas de auditoria, inclusive as deficiências significativas nos controles internos que, eventualmente, tenham sido identificadas durante nossos trabalhos.

São Paulo, 22 de março de 2023

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP00160/O-5

Developed by
Audit. Change! Again
Signed by MARKON STRANGUETI NOGUEIRA 3148609888
CPF: 214860988-8
Spring, Texas 22 March 2023 12:41:58 PM
Markon Strangueti Nogueira
Contador CRC 1SP255830/O-3



Combio Energia S.A.
Balancos patrimoniais em 31 de dezembro de 2022 e 2021

(Valores expressos em milhares de reais, exceto quando de outra forma indicado)

	Notas	31/12/2022	31/12/2021
ATIVO			
Ativo circulante			
Caixa e equivalentes de caixa	3	65.289	103.050
Aplicações financeiras vinculadas	4	5.669	1.365
Contas a receber de clientes	5	66.614	47.223
Estoques	6	41.302	78.679
Impostos a recuperar	7	22.658	20.131
Ativo biológico	11	38.324	-
Custos obtenção de contratos	25.a	5.264	-
Outros créditos	-	9.051	6.422
Total do ativo circulante		254.171	256.870
Ativos não circulantes mantidos para venda			
	8	23.694	-
Ativo não circulante			
Impostos a recuperar	7	10.340	6.521
Aplicações financeiras vinculadas	4	3.309	2.900
Depósito judicial	-	302	-
Custos obtenção de contratos	25.a	10.110	-
Outros créditos	-	39	-
Contas a receber de clientes longo prazo	5	9.140	-
		33.240	9.421
Investimentos	24	11.117	7.967
Imobilizado	9	265.522	165.616
Direito de uso	10	69.499	63.848
Intangível	-	1.145	596
Ativo Biológico	11	97.292	6.363
Total do ativo não circulante		477.815	253.811
Total do ativo		755.680	510.681

As notas explicativas da Administração são parte integrante das demonstrações financeiras



Combio Energia S.A.

Balancos patrimoniais em 31 de dezembro de 2022 e 2021

(Valores expressos em milhares de reais, exceto quando de outra forma indicado)

PASSIVO E PATRIMÔNIO LÍQUIDO

	Notas	31/12/2022	31/12/2021
Passivo circulante			
Fornecedores	12	64.168	20.448
Empréstimos e financiamentos	13 e 16	13.404	13.447
Certificado de Recebíveis Agronegócio (CRA)	14	21.191	24.126
Nota de crédito à exportação	15	17.416	16.486
Passivo de arrendamento	10	9.631	7.666
Partes relacionadas	20	11.122	51.376
Obrigações sociais e trabalhistas	17	11.281	6.480
Obrigações tributárias	18	9.361	10.354
Adiantamento de clientes	21	23	13.821
Juros sobre o capital próprio e dividendos	19.2	8.834	3.876
Outras contas a pagar		92	4.405
Total do passivo circulante		166.523	172.485
Passivos relacionados a ativos não circulantes mantidos para venda		620	-
Passivo não circulante			
Empréstimos e financiamentos	13 e 16	22.139	35.301
Instrumentos financeiros - SWAP	28.b.2	2.429	-
Fornecedores	12	12.965	-
Certificado de Recebíveis Agronegócio (CRA)	14	358.791	171.796
Imposto de renda e contribuição social diferido	23	10.150	-
Nota de crédito à exportação	15	70.964	37.905
Provisão para contingências	22	21	-
Obrigação trabalhista longo prazo	17	126	-
Passivo de arrendamento	10	63.714	56.560
Total do passivo não circulante		541.299	301.562
Patrimônio líquido			
Capital social	19.1	20.641	12.000
Reserva legal	19.3	3.279	2.349
Reservas de capital	19.6	200	-
Reservas de lucros		23.118	22.285
Total do patrimônio líquido		47.238	36.634
Total do passivo e patrimônio líquido		755.680	510.681

As notas explicativas da Administração são parte integrante das demonstrações financeiras



Combio Energia S.A.

Demonstrações do resultado para os exercícios findos em 31 de dezembro de 2022 e 2021

(Valores expressos em milhares de reais, exceto quando de outra forma indicado)

	Notas	31/12/2022	31/12/2021
Operações continuadas			
Receita operacional líquida	25	369.510	254.262
Custo do produto vendido e dos serviços prestados	26	(270.705)	(181.850)
Lucro bruto		98.805	72.412
Receitas (despesas) operacionais			
Administrativas, gerais e comerciais	26	(49.913)	(35.247)
Crédito tributário decorrente pis e cofins extemporâneo	7	-	11.101
Outras receitas (despesas) operacionais	26	38.460	463
		(11.453)	(23.683)
Lucro operacional antes das receitas e despesas financeiras		87.352	48.729
Receitas financeiras	27	6.069	589
Crédito tributário decorrente pis e cofins sobre base calculo do icms	27	-	916
Despesas financeiras	27	(58.733)	(29.389)
Receitas (despesas) financeiras, líquidas		(52.664)	(27.884)
Lucro antes do imposto de renda e contribuição social		34.688	20.844
Imposto de renda e contribuição social - corrente	23	(2.775)	(6.310)
Imposto de renda e contribuição social - diferidos	23	(10.150)	-
Lucro líquido do exercício das operações continuadas		21.764	14.534
Operações descontinuadas			
Resultado das operações descontinuadas	8	(3.070)	2.641
Lucro líquido do exercício		18.694	17.176
Resultado por ação	19.5		
Básico		1,5577	1,4313
Diluído		1,5577	1,4313

As notas explicativas da Administração são parte integrante das demonstrações financeiras.



Combio Energia S.A.

Demonstrações do resultado abrangente para os exercícios findos em 31 de dezembro de 2022 e 2021

(Valores expressos em milhares de reais, exceto quando de outra forma indicado)

	<u>31/12/2022</u>	<u>31/12/2021</u>
Lucro líquido do exercício	18.694	17.176
Outros resultados abrangentes	-	-
Resultado abrangente do período	<u>18.694</u>	<u>17.176</u>

As notas explicativas da Administração são parte integrante das demonstrações financeiras.



Combio Energia S.A.
Demonstrações das mutações do patrimônio Líquido
para os exercícios findos em 31 de dezembro 2021 e 2022

	Notas	Capital Social	Reservas de capital		Reservas de lucros		Lucros (Prejuízos) Acumulados	Total
			Subvenção para investimentos	Instrumentos patrimoniais outorgados	Reserva legal	Reserva de Lucros		
Saldo em 31 de dezembro de 2020		12.000	-	-	1.490	10.888	-	24.377
Lucro líquido do exercício							17.176	17.176
Reserva Legal	19.3				859		(859)	
Distribuição de dividendos	19.2						(3.750)	(3.750)
Juros sobre capital próprio	19.4						(1.170)	(1.170)
Constituição de reserva de lucros						11.397	(11.397)	-
Saldo em 31 de dezembro de 2021		12.000	-	-	2.349	22.285	-	36.633
Capitalização com saldo de reservas de lucros	19.1	8.000				(8.000)		-
Aumento de capital devido a entrada de novos acionistas	19.1	641						641
Lucro líquido do exercício							18.694	18.694
Reserva legal					930		(930)	-
Constituição de reserve de capital sobre subvenção para investimento	19.6.a		96				(96)	-
Despesas do programa ILP, líquidas dos encargos	19.6.b			104				104
Dividendos mínimos obrigatórios							(8.834)	(8.834)
Constituição de reserva de lucros						8.834	(8.834)	-
Saldos em 31 de dezembro de 2022		20.641	96	104	3.279	23.118	-	47.238

As notas explicativas da Administração são parte integrante das demonstrações financeiras



Combio Energia S.A.
Demonstrações dos fluxos de caixa
para os exercícios findos em 31 de dezembro de 2022 e 2021
 (Valores expressos em milhares de reais, exceto quando de outra forma indicado)

Fluxos de caixa das atividades operacionais	Notas	31/12/2022	31/12/2021
Lucro líquido do exercício, incluindo as operações descontinuadas	-	18.094	17.176
Ajustes por:			
Depreciação/amortização	9	14.770	22.430
Amortização de direito de uso	10	6.227	3.352
Amortização de custos com obtenção de contratos	25 a	5.264	-
Juros s/passivo de arrendamento	10	9.845	1.626
Resultado na baixa de ativo imobilizado	9	9.378	924
Compensações de adiantamentos de aquisições de ativo imobilizado	9	-	5.264
Crédito tributário de pis e cofins sobre base do ICMS		-	(12.017)
Varição nas aquisições de direito de uso/arrendamento	10	54	(234)
IRPJ e CSLL corrente e diferido	23	11.346	7.671
Despesas de juros provisionados de empréstimos	13 a 16	38.258	25.517
Atualização monetária sobre contratos de compra de florestas	27	9.729	-
Avaliação a valor justo de Ativos Biológicos	11	(35.646)	-
Ajuste a valor presente - Contas a receber	5	4.052	-
Provisão para contingências	22	21	-
		91.989	71.708
Decréscimo (acrécimo) em ativos:			
Contas a receber de clientes	5	(32.583)	(32.309)
Estoques	6	(19.385)	8.040
Impostos a recuperar	7	3.806	(5.485)
Outros créditos	-	(2.980)	(1.568)
Acrécimo (decrécimo) em passivos:			
Fornecedores	12	47.155	(7.590)
Obrigações sociais e trabalhistas	17	5.670	2.416
Obrigações tributárias	18	(995)	3.664
Contas a pagar	-	(3.892)	(3.222)
Adiantamento de clientes	21	(13.798)	13.821
		(17.002)	(22.233)
Caixa (consumido) gerado pelas atividades operacionais		(17.002)	(22.233)
Imposto de renda e contribuição social pagos	-	(11.545)	(7.670)
		63.442	41.805
Fluxos de caixa das atividades de investimento			
Aquisições de ativo imobilizado (i)	9	(158.647)	(33.440)
Aquisições de intangível	-	(814)	(363)
Aquisições de investimento	24	(3.150)	(1.653)
Aquisição ativo biológico	11	(38.975)	(5.726)
Aplicações financeiras vinculadas	4	-	173
		(201.586)	(41.009)
Fluxos de caixa das atividades de financiamento			
Captação de empréstimos - CRA/NCE	14 e 15	250.000	144.685
Pagamentos de empréstimos e financiamentos - principal e juros	13	(11.950)	(18.107)
Pagamentos de Certificado de Recebíveis Agronegócio (CRA) - principal e juros	14	(44.391)	(27.080)
Pagamentos de Nota de Crédito ao Exportador (NCE Fornecedor) - principal e juros	15	(19.796)	(17.563)
Captação de empréstimos Partes Relacionadas	20	11.122	52.500
Pagamento de empréstimos com partes relacionadas - principal e juros	20	(51.376)	(15.843)
Captação de capital de giro	16	50.000	23.383
Pagamentos de capital de giro	16	(58.268)	(32.910)
Pagamentos de parcelas de arrendamentos	10	(16.369)	(3.726)
JSCP e dividendos pagos no exercício	19.2	(3.876)	(7.140)
Aplicações financeiras líquidas	4	(4.713)	-
		100.383	98.199
Caixa líquido gerado pelas atividades de financiamento		100.383	98.199
Aumento (redução) líquida de caixa e equivalentes de caixa		(37.761)	68.995
Caixa e equivalentes de caixa			
No início do exercício	3	103.050	4.055
No final do exercício	3	65.289	103.050
		(37.761)	68.995
Aumento (redução) líquida de caixa e equivalentes de caixa		(37.761)	68.995

(i) Foi capitalizado o montante de R\$ 3.420 de juros de empréstimos no exercício findo em 31 de dezembro de 2022.

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