



ENERGY MANAGEMENT PROGRAM

Updated as of May 2026

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ENERGY MANAGEMENT & EFFICIENCY PROGRAM

COMMITMENT

ENERGY PROGRAM

Our Approach



• GENERAL OVERVIEW •

Since inception we have been developing sustainable production models to generate food and renewable energy, with a focus on the efficient use of natural resources.

In our **Environmental Policy** we state our commitment to **maximizing the generation of renewable energy** from by-products and residues, such as sugarcane biomass, vinasse, animal manure, or other by-products from our operations as well as to contributing to mitigate climate change by measuring our carbon emissions and implementing measures to reduce them.

As part of our ongoing governance and management processes, we review and discuss sustainability-related trends, risks and opportunities with our Board of Directors. These discussions assess the environmental, social, economic and governance impacts across each of our businesses. Key environmental indicators monitored include carbon balance, water consumption, renewable energy generation, energy consumption, effluents and waste management.

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STRATEGY

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Energy Transition Strategy

As renewable energy producers, we play a key role in ensuring energy security in the regions where we operate while supporting their transition to a greener energy matrix.

Our Strategy

Our Energy Strategy is based on two main pillars: generating renewable energy and reducing energy consumption.



Generating Renewable Energy

- Producing **ethanol** from sugarcane
- Producing **bioelectricity** from by-products (such as cow manure and bagasse)
- Producing and using **biomethane** for sustainable logistics
- Using **biomass** (such as rice husk) as fuel for rice-drying process
- Using **solar panels** to power sprinklers and fans for cow's comfort
- Sending milk effluents (fat) to generate energy in a local producer's biodigester



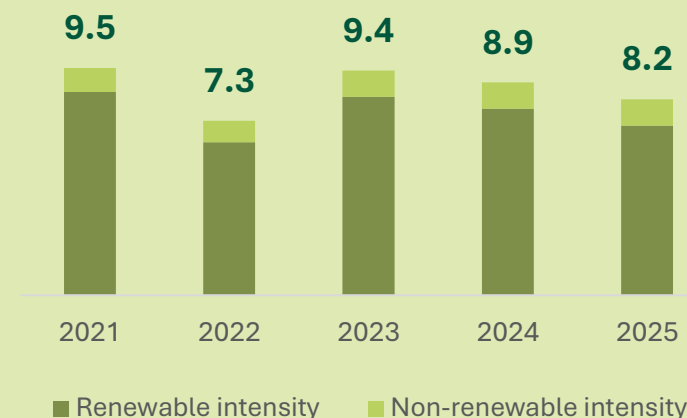
Enhancing energy efficiency

- **Drones and machinery** for selective applications of phytosanitary products (reduces energy consumption)
- **Stripper heads** in rice harvesters instead of draper heads (reduce energy consumption through harvesting efficiencies)
- **Efficient irrigation technologies** (precision leveling and polypipes reduce water consumption and energy consumption related to irrigation and pumping)
- **Replacement of fuels:** transitioning to cleaner fuels
- Two-row harvesters, grunner trucks and triple road trains reduce diesel consumption
- **Frequency converters** in our Dairy operations reduce energy consumption

We focus on enhancing energy efficiency through technological improvements and innovations that reduce our energy intensity. Measuring our energy intensity is part of our strategy to monitor and enhance efficiency.

Energy Intensity

(GJ consumed per ton produced)



87%

of the energy we consume is self-generated and renewable

ENERGY PROGRAM

Energy Transition Strategy

As renewable energy producers, we play a key role in ensuring energy security in the regions where we operate while supporting their transition to a greener energy matrix.

Driving Green Energy Growth

Each year, we generate **over 14 million GJ of renewable energy**: ethanol, biomethane and electricity.

We are already active players in the energy transition pathway as **26% of our 2025 sales were green** - since they came from ethanol, bioelectricity and CBios (carbon credits) - and could reach up to 50% of our total sales in years of ethanol maximization.



ETHANOL

- Ethanol
- RenovaBio
- SAF



BIOELECTRICITY

- Sugarcane bagasse based
- Dairy biomass based
- Solar panels



BIOGAS

- Biogas and biomethane
- GAS-RECs



We use by-products of our dairy and sugarcane businesses to generate renewable energy



55% of the company's assets are destined for the production of renewable energy*

* The % refers to assets values.

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Renewable Energy Production

• ZOOM INTO ETHANOL •

ETHANOL

We produce ethanol from sugarcane at our mills in Brazil.

Compared to gasoline, sugarcane-based ethanol reduces GHG by more than 87% and is the most efficient source of ethanol production in terms of m³/ha.

We have a capacity of production of 718,819 m³ in our mills.

In 2025, we produced **588 thousand m³** of ethanol and generated revenues of almost **USD 310 million**

RENOVABIO

Our three mills in Brazil are certified under the RenovaBio Program, and we were the first company to issue and sell carbon credits (CBios) through the Program.

In 2025, we traded **712,190 CBios**, generating revenues of **USD 6.2 million**



SUSTAINABLE AVIATION FUEL (SAF)

In 2025, our Ivinhema unit received the ISSC CORSIA Plus certification for ethanol production intended for SAF, complementing the certification previously achieved by our Angélica unit.

This low-carbon fuel can reduce GHG emissions by up to 80% compared to conventional fuels and positions us to capture opportunities in emerging SAF markets as they develop.



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Renewable Energy Production

• ZOOM INTO BIOELECTRICITY •

BAGASSE-BASED

We produce electricity from bagasse, a sugarcane processing by-product

We use part of this energy to power our own operations.

And the surplus, around 63% of the production, is sold to the local grid, being this energy enough to supply a city of nearly 1 million inhabitants.

The cogeneration capacity is 246 MW.

In 2025, we produced almost **1.1 million MWh of bioelectricity**

DAIRY BIOMASS-BASED

We generate electricity through biodigesters using cow manure from our over 14,400 milking cows.

We have two biodigester-based plants with a combined installed capacity of 3.4 MW and a potential to generate around 25,000 MWh of electricity annually.



In 2025 we processed **170,700 tons of cow manure**, generating **22,794 MWh of bioelectricity**

SOLAR PANELS

We have a solar energy park located at our freestalls with 1,550 solar panels that have an installed capacity of 0.5 MW. We use this energy to power fans and sprinklers that ensure the comfort and welfare of our cows.



In 2025, the solar park produced **445 MWh of energy**

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Renewable Energy Production

• ZOOM INTO BIOGAS & BIOMETHANE •

BIOGAS & BIOMETHANE

We produce biogas from concentrated vinasse, a by-product of ethanol production.

Biogas can be converted either into renewable electricity or biomethane. We are already using biomethane as biofuel to power our fleet vehicles and trucks at our Ivinhema mill.



In 2025, **130 light vehicles, 23 trucks, 1 tractor and 8 irrigation pumps** were powered by the biomethane we produced

GAS-REC

Our biogas unit in Brazil is certified to issue and sell Renewable Natural Gas Certificates (GAS-REC).

These certificates allow Brazilian industries to voluntarily decarbonize the gas they consume in their operations.

In 2022, we became the first company in Brazil to commercialize GAS-RECs.



Our biodigester in Ivinhema

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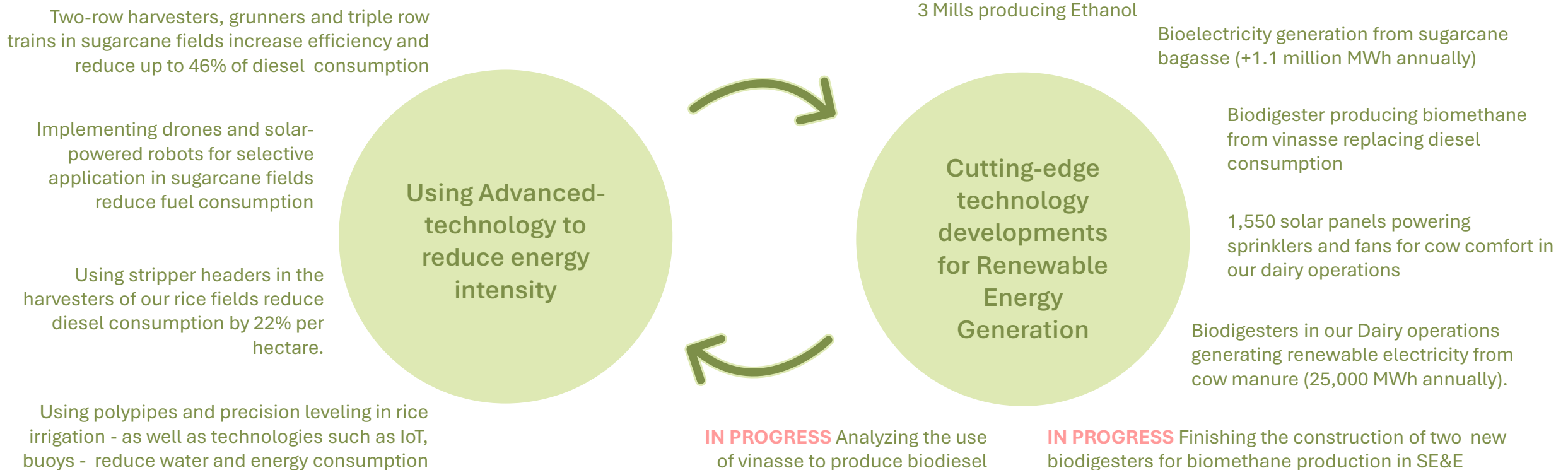
TECHNOLOGY AS AN ALLY

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Technology as an Ally

• TECHNOLOGY LEVERAGING ENERGY •

Our sustainable development model leverages technology to enhance efficiency in the various processes of our production chain. Our innovative mindset is based on the pillars of technology development, R&D projects and collaborative network.



More than USD 500 MILLION invested in all of these projects over the years

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PROSPECTS & OPPORTUNITIES

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Prospects and Future Opportunities

REGULATION FUELING THE ENERGY TRANSITION

In 2024, Brazil signed the Fuel of the Future Law (Federal Law 14.993/2024) which aims to regulate and set targets for the use of biofuels and renewable fuels.

These initiatives will help to reduce carbon emissions related to fossil fuel usage and to switch to a low carbon mobility.

Main takeaways:

- **Ethanol in gasoline:** minimum blend rises to 22% and maximum rises to 35% (~+4%);
- **Biomethane requirement** demand of biomethane should stand at 1% of natural gas demand in 2026, reaching 10% in 2036.
- **SAF:** increase in the blend with jet fuel, from 1% in 2027 to 10% in 2037.
- **Carbon Capture and Storage:** Regulates storage in geological formations, with authorizations valid for 30 years;

OPPORTUNITIES FOR AGRO

Additional demand of ethanol

→ Our mills have the capacity to produce anhydrous ethanol, and dehydrate our hydrous stocks by using our own bagasse as fuel

Additional demand of biomethane

→ Our current biodigester in Ivinhema mill has the capacity to produce 6,000 Nm³/day of biomethane (equivalent to 2 million liters of diesel replaced), and we are scaling up production capacity.

SAF 1-10% in jet fuel blend between 2027-2037

→ Our Angelica and Ivinhema Mills are certified by ISCC Corsia Plus, as per required for SAF production

Carbon Capture and Storage Opportunity

→ As ethanol producers, for each cubic meter of ethanol produced, 0.8 ton of CO₂ is generated, which we could sequester and storage underground

As producers of ethanol and biomethane, this regulatory environment creates opportunities to expand demand for our existing products and strengthen our role in the energy transition. In addition, our certification for SAF production opens new growth avenues, alongside the potential development of carbon capture and storage solutions.

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Please [**CLICK HERE**](#) to access our Sustainability website

Please [**CLICK HERE**](#) to access our 2025 Integrated Report

