

CROP YEAR 24/25

# ALLOCATION REPORT

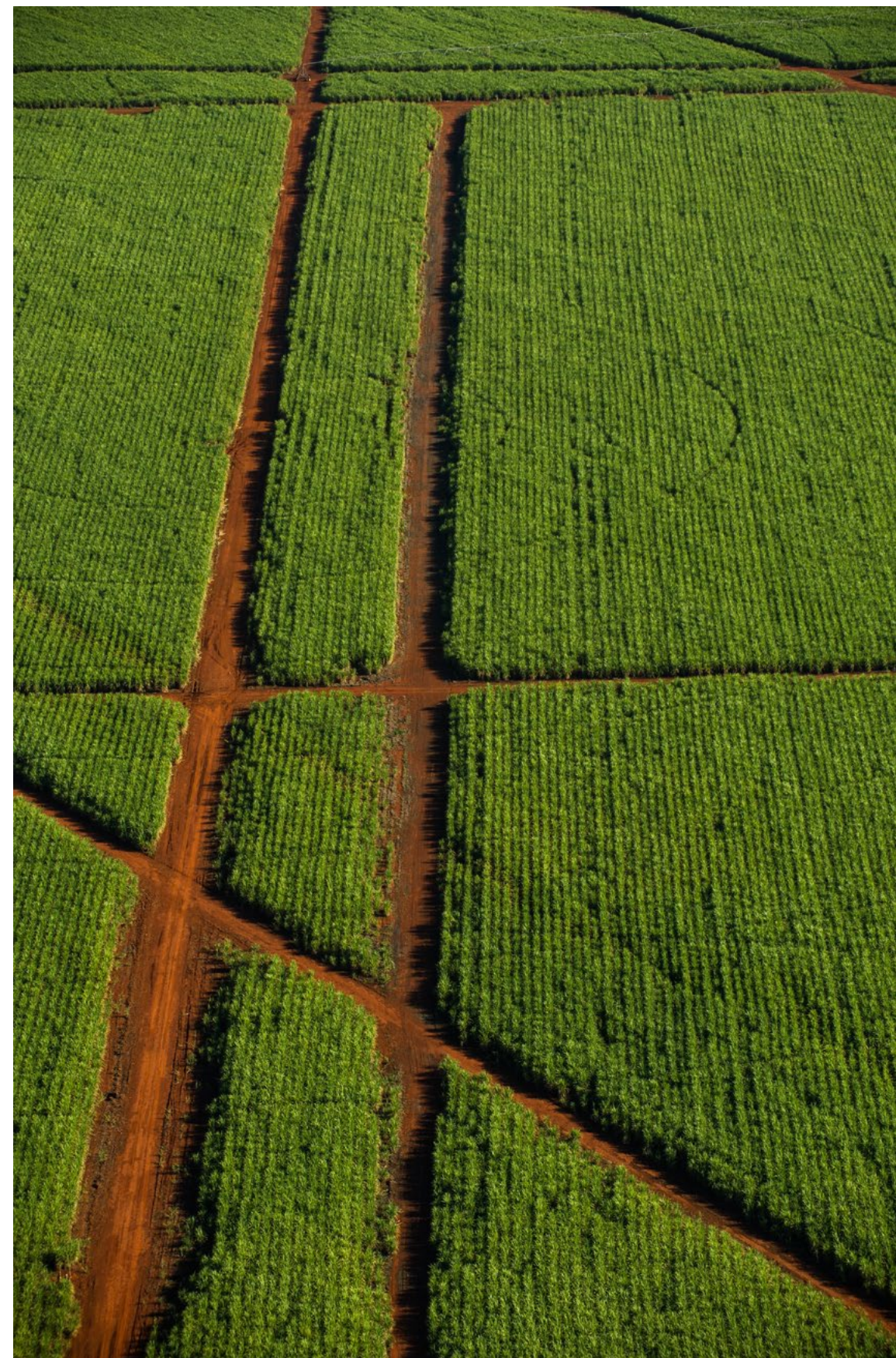
raízen



# INTRODUCTION

We produce ethanol and sugar and distribute fuels, products, and services under the Shell brand, licensed by Raízen in Brazil, Argentina, and Paraguay.

Starting in 2022, we began securing funding to scale up our investments in renewable projects, strengthening our sustainability efforts. This report details how the funds have been allocated to projects aligned with our broader sustainability strategy.





# OUR GREEN FINANCE JOURNEY

We leveraged sustainable-linked financial instruments to support the growth of our business, with a strong focus on renewable energy initiatives.

Between 2022 and 2023, we secured R\$3 billion by issuing two Agribusiness Receivables Certificates (CRA) to fund projects focused on renewable energy and energy efficiency.

In the 2023/2024 crop year, we entered the international market with our first green bond issuance, raising US\$1.5 billion with maturities ranging from 10 to 30 years. Proceeds from this issuance also funded initiatives related to renewable energy generation and improved energy efficiency.

All operations were aligned with our Green Financing Framework, which underwent third-party evaluation to confirm the ambition and impact of the associated investments. The projects eligible for use of these funds fall into two main categories: **Renewable Energy** and **Energy Efficiency**



**Click here** to view the Green Financing Framework



## Renewable Energy

This includes expenses across the entire biofuel production chain, from cultivating or sourcing sugarcane certified by a sustainability standard.

It also covers the procurement of equipment, materials, and the hiring of labor for the development, construction, retrofitting, operation, and maintenance of:

- first- and second-generation ethanol production facilities
- biomass-powered cogeneration plants
- infrastructure for the biodigestion of sugar-industry (and other) waste to generate energy and/or biomethane from biogas, including operating costs for sourcing biogas inputs
- solar power plants



## Energy Efficiency

These are expenses aimed at boosting energy efficiency in sugarcane biofuel facilities, cogeneration units, biogas plants, and/or solar arrays, including the procurement of higher-efficiency equipment.

# USE OF PROCEEDS



AGRIBUSINESS RECEIVABLES  
CERTIFICATE

## CRA 22

### Funded Projects

Projects include second-generation ethanol production, biogas development, biomass-powered cogeneration, solar power generation, and energy efficiency upgrades at our bioenergy operations.

Financial Highlights		
Total Capital Raised	2,000.000.000	
Currency	BRL	BRL
Tranche	1,60.000.000	940,000.000
Issuer	Raízen Energia S.A.	Raízen Energia S.A.
Instrument Type	Tax-Incentivized	Tax-Incentivized
Issue Date	August 16, 2022	August 16, 2022
Maturity Date	August 17, 2032	August 17, 2037
Credit Rating	AAA (domestic scale)	AAA (domestic scale)

Use of Proceeds	FY22'23 Allocation (R\$)	% *	FY23'24 Allocation (R\$)	%*
Allocated Amount	1,104.101.212	55	895.898.921	45
Renewable Energy	1.104.101.212		894.158.570	
Energy Efficiency	0		1,740,351	
Unallocated Balance	895,898,788	45	0	0

\*Percentage relative to total proceeds



AGRIBUSINESS RECEIVABLES  
CERTIFICATE

CRA 23

Funded Projects

Spending related to industrial upgrades with a direct impact on health, safety, and environmental performance, along with the purchase or replacement of production equipment at first-generation ethanol facilities.

Financial Highlights			
Total Capital Raised	1,000,000,000		
Currency	BRL	BRL	BRL
Tranche	192,320,000	265,014,000	542,666,000
Issuer	Raízen Energia S.A.	Raízen Energia S.A.	Raízen Energia S.A.
Instrument Type	Tax-Incentivized	Tax-Incentivized	Tax-Incentivized
Issue Date	October 15, 2023	October 15, 2023	October 15, 2023
Maturity Date	October 15, 2030	October 17, 2033	October 17, 2033
Credit Rating	AAA (domestic scale)	AAA (domestic scale)	AAA (domestic scale)

Use of Proceeds	FY23'24 Allocation (R\$)	%*	24'25 Report	%*
Allocated Amount	315.243.372	32	265,359,619	27
Renewable Energy	315.243.372		265,359,619	
Energy Efficiency	0		0	
Unallocated Balance	680,720,462	68	415,360,843	41

\*Percentage relative to total proceeds







# BOND 2034/2054

## Use of proceeds:

Includes expenses for building biogas facilities, solar plants, and second-generation ethanol units; energy efficiency initiatives at production sites; industrial upgrades focused on health, safety, and environmental improvements; procurement of equipment for industrial maintenance; and operating costs for biogas generation and energy cogeneration.

Financial Highlights	Bond 2034	Bond 2054
Total Capital Raised	1,500,000,000	
Currency	USD	USD
Tranche	1,000,000,000	500,000,000
Issuer	Raizen Fuels Finance S.A.	Raizen Fuels Finance S.A.
Instrument Type	Rule 144A / Regulation S	Rule 144A / Regulation S
Issuance date	March 05, 2024	March 05, 2024
Maturity Date	March 05, 2034	March 05, 2054
Credit Rating	BBB (global)	BBB (global)

Use of Proceeds	24'25 Report		
	USD <sup>1</sup>	R\$	% <sup>2</sup>
Allocated Amount	500,417.753	2,469,561,612	33
Renewable Energy	499,494.739	2,465,006,538	
Energy Efficiency	923,013	4,555,073	
Unallocated Balance	999,582.247	4,932,938,388	66

<sup>1</sup> Exchange rate reference: USD 4.935

<sup>2</sup> Percentage of total proceeds

# ASSURANCE LETTER

April/2025



External evaluation Report

To the Board of Directors of Raízen Fuels Finance S.A., Raízen Energia S.A., and Raízen S.A.,

ERM verified the allocation of the proceeds of the Green Bonds operation in projects related to renewable energies and energy efficiency. The total amount of the proceeds obtained was USD 1,500,000,000.00, which corresponds to BRL 7,402,500,000 at the time of the exchange.

Raízen has provided all the supporting evidence necessary for the verification process. ERM was responsible for verifying all the evidence provided to confirm the use of proceeds, the status of proceeds allocation, and the socioenvironmental benefits. The assessment was carried out considering a limited assurance level.

ERM analyzed the financial details of the contract, such as the amount allocated in each category of the Framework, the amount designated to CAPEX and OPEX, as well as the temporary proceeds allocation. ERM also verified the evidence of the environmental indicators defined in the Framework, which include avoided emissions (tCO2 against Fossil Fuels, MJ/year of biogas energy generated, MW/year of co-generation generated, MW/year of solar power generated, annual energy savings in MWh/GWh and GJ/TJ).

Based on all the material aspects analyzed, as well as the evidence presented, nothing came to ERM's attention that could indicate that Raízen Energia did not finance or reimburse, between the crop years 2022'23, and 2023'24, R\$ 2.469.561.612,37 in projects related to the construction and installation of biogas, 2G Ethanol<sup>1</sup> and solar energy plants, raw material production costs and equipment purchase and maintenance. These projects are in line with the categories of eligible projects defined in Raízen's Green Finance Framework. ERM also verified the benefits brought by these projects, confirming the environmental impacts of Raízen's green operations.

Juliana de Carvalho

Juliana de Carvalho  
Consulting Associate

Cristóvão Alves

Cristóvão Alves  
Consulting Partner

Camila Horst Toigo

Camila Toigo  
Manager - Principal Consultant

ERM Brasil Ltda.  
Avenida Luis Carlos Berrini, nº 105 - Edifício  
Thera Corporate, cj 171 - Cidade Monções - São  
Paulo - Estado de São Paulo.

Rio de Janeiro, 04/16/2025

<sup>1</sup> Second Generation etanol.

raízen