



bp bunge
bioenergia

OUR
COMMITMENTS
2030

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Message from our Leadership

We created BP Bunge Bioenergia under the vision of "Being a sustainable energy leader", in a constantly changing world, which months later would be shaken by the COVID-19 global pandemic. Driven by our belief in this purpose, we have unwaveringly pursued continuous progress, whilst always aware of our responsibility and the mammoth challenges pushing society to pursue new paths and initiatives towards sustainability.

Needs will be enormous, and the relationship between food production, energy and water needs to be better understood and taken into account in decision-making and initiatives.

As green technologies become cheaper and cheaper, the rising use of renewable energy is expected to continue. There is strong evidence that fossil fuel consumption will stop growing by 2030, as a result of the growing use of renewable energy. The global pursuit of secure energy with lower carbon emissions will result in a more plentiful supply and more efficient usage of renewable energy.

As we seek more sustainable mobility, vehicles running on biofuels have unquestionably lower (tailpipe) carbon emissions. According to the Brazilian Association of Automotive Engineering (AEA), a liter of hydrous ethanol emits 41 grams of carbon dioxide (CO₂) per kilometer in a hybrid car, compared with 134 grams emitted by a vehicle fueled by gasoline. Even electric vehicles using ethanol fuel-cells can massively contribute to maximizing the environmental benefits offered by this new technology.

We believe that Brazil is one of the countries with the greatest potential in the renewable energy segment. Biofuels will play a crucial role in the energy transition and Brazil is already assuming a leading position by demonstrating how they can be used on an industrial scale to drive down emissions. This transition will result in a more diverse energy mix. Following the introduction of the National Biofuels Policy (RenovaBio), the outlook in Brazil is even brighter. RenovaBio encourages the use of and champions the benefits of biofuels, primarily through carbon credits, which can facilitate economies of scale and optimize the use of renewable fuels.

We want to play a leading role in a swifter transition to a low-carbon future. We will not be deterred and are accordingly presenting Our 2030 Commitments towards sustainability for the Decade of Action. We are all set to address this considerable challenge. We cultivate the energy that powers the world.

Mario Lindenhayn

Executive Chairman and Chairman of the Board



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We are extremely proud of to have created BP Bunge Bioenergia in December 2019, building a solid base founded on the capabilities of both organizations, dedicated to fostering ideas and initiatives for sustainable growth by harnessing the meaningful financial and operational synergies in our business sector.

Brazil's sugar and ethanol industry has been growing in prowess over time, with sustainable products produced from renewable sources - sugar, ethanol and energy, amongst others. These products can meet the growing present demand without damaging society and the environment and the quality of life for future generations.

The uncertainties unleashed by the COVID-19 pandemic have shaken the world and all sectors have had to display resilience and readiness to tackle it, including environmental, social and economic issues. Playing a crucial role in the provision of an essential service that is the energy and food supply, the sugar and ethanol industry adapted its operations so it could continue generating jobs and paying taxes, whilst contributing support and cooperation to address the crisis. Despite a turbulent past worsened by the pandemic, in recent years the sector has drawn strength from its confidence and the responsibility of its role.

As this crisis unfolds, we should not overlook the fact that this is BP Bunge Bioenergia's first crop season, in what is a year of post-merger integration. Operational expertise and discipline were fundamental to achieving

the results that confirm the potential of our business. In the 2020/2021 crop season, our 11 plants processed 28 million tonnes, amidst productivity efficiency and profitability gains. Our target is to reach our production capacity of 32 million tonnes within three crop seasons. A robust program of capturing synergies will facilitate this journey. We are also pursuing efficiency gains and prioritize significant investments, including R\$ 1 billion per crop season in our cane fields, focusing on cropping.

We have the financial robustness necessary to fulfill our strategy, as we benefit from a solid and conservative capital structure. We also initiated our activities with one of the lowest levels of indebtedness in the market.

In the 2021/2022 crop season in progress, we are focused on continually enhancing our structure and increasing our capacity usage, capturing synergies and developing opportunities. Alongside this, we have cut costs, raised productivity and improved our logistics.

Sustainable development underpins everything we do. Sustainability permeates our planning, projects and everyday agroindustrial practices. Be it in the rational and conscientious use of resources, the optimized use of raw materials, soil health, intensive recycling of waste and/or byproducts and water resource management, or the lowering of emissions, use of technological tools and innovation, fire prevention and response, biological pest control and biodiversity protection, amongst other initiatives.

In addition to creating jobs, on the social front we are focused on seamlessly nurturing people and their capabilities as individuals, citizens and professionals, promoting harmonious values such as safety, integrity, respect, health and quality of life. Individual development nurtures collective thinking as to how to build a better world.

This is the path we have chosen to follow and we will not waver from it.

Geovane Consul, CEO



About the Company

We are one of the leading companies in Brazil's ethanol, bioelectricity and sugar sectors.

Unveiled in July 2019, **BP Bunge Bioenergia** is a joint venture between BP and Bunge, which is now one of the largest companies in Brazil in the biofuels and bioenergy sectors, cementing the sugar, ethanol and bioelectricity operations of the two organizations.

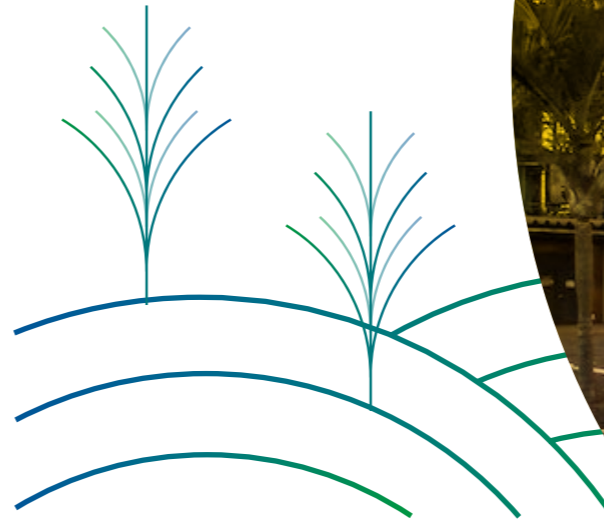
Formation of the Company finished in December 2019, as announced in a press release.

Each company has a 50% interest in the joint venture, combining **experience, expertise, technology, people and assets**. We have **11 agroindustrial operations**, strategically located in the states of São Paulo, Minas Gerais, Goiás, Mato Grosso do Sul and Tocantins.

With an annual processing capacity of 32.4 million tonnes of a sugarcane, we have both flexibility and expertise for producing ethanol sugar, whilst developing renewable energies. We harness sugarcane bagasse to generate electricity. Part of this energy is used in production at our plants and the surplus is sold to Brazil's electric grid.

Our strategy is based on a progressive valuation of the energy transition, which we fully expect will yield performance gains for a sustainable business.

The inspiration behind the creation of BP Bunge Bioenergia was the pursuit of an even safer and more efficient operation in the sugar and ethanol sector, by adopting best agricultural, industrial and commercial practices. A sustainable operation that could meet the demand for ethanol, bioelectricity and sugar. We strive to be a global standard setter in sustainable energy production.



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Value Creation Model

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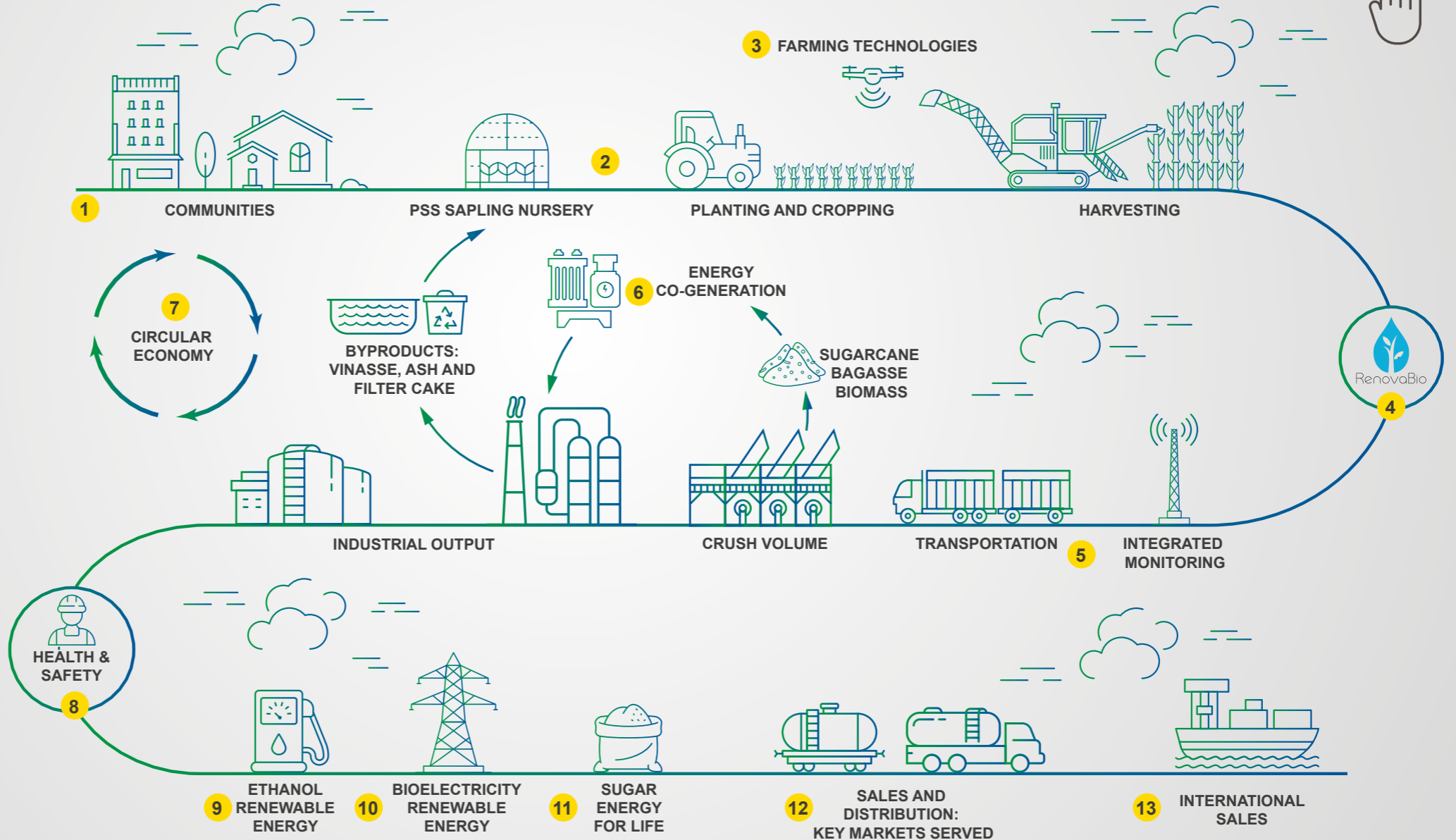
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Our culture

To achieve our objectives and commitments and follow the path we have set ourselves, we have a solid foundation: our organizational culture.

Mission

We cultivate the sustainable energy that powers the world.

Our Values

Vision

To be a leading player in sustainable energy.



Safety

We operate to the highest standards of safety - We look after each other (employees, suppliers, partners and communities) - We don't put profit before safety - We understand and manage our risks - Our goal is for all employees to go home to their families safely.



Excellence

We incessantly strive to be the best at what we do - We nurture innovation, entrepreneurship and continuous improvement - We act in an engaged way for the benefit of the growth and improvement of the Company - We continuously develop our employees and stimulate their growth.



Integrity

We honor and perform our commitments - Integrity is the basis of everything we do - We comply with the law and are ethical and fair - We do the right thing.



Respect

We respect the environment and people in all their diversity - We are open to the difference of opinions.



A Team

We have a common purpose - We collaborate with each other - We celebrate our achievements and learn together - We believe that collective success is more important than individual success.

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Aligning with the sector's vision

Our operations span the entire sugar and ethanol production process, from sugarcane cultivation through harvesting and processing to storage, logistics and sales. Our sector is **strategic** and includes the production of sugar, of crucial importance to the food industry, and bioenergy, fundamental to diversifying Brazil's energy matrix, with biofuels and bioelectricity.

Biofuel and electricity produced from sugarcane biomass make it possible to reduce greenhouse gas

(GHG) emissions by avoiding the burning of fossil fuels, which is driving demand for these products. We therefore continually strive to enhance or introduce processes that rationalize resource usage or eliminate waste and gas emissions.

Our products are made by sustainable production systems, which harness good practices and agroindustrial technologies. **In other words, the sustainability of our products is based**

on operational efficiency. In our production processes, we use **Life Cycle Assessments (ACV), environmental performance management and integrated circuits** – from the extraction and use of resources through recycling or final disposal of waste.

Under the circular economy concept, we also strive to reuse and/or recycle everything we produce but is not sold or immediately used.



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Main advantages relating to the sustainability of our products:



Use of the circular economy concept

Our sugarcane chain harnesses the circular economy concept heavily, recycling or reusing nearly 100% of byproducts generated, especially in the production of ethanol and bioenergy. For more information see item 7 of our [“Value Creation Model”](#).



Pinpoint vinasse

By using vinasse (one of the byproducts resulting from sugar cane processing), we avoid the use of water in irrigation and protect the quality of the soil, by the pinpoint application of vinasse, thus avoiding saturating the earth with potassium. For more information see item 7 of our [“Value Creation Model”](#) and the item [“Water resource stewardship”](#), in [“Our Actions”](#).



Renewable biofuel

Ethanol is a biofuel produced from a renewable source, sugarcane, which helps drive down GHG emissions. Replacing fossil fuels with ethanol reduces Greenhouse Gas (GHG) Emissions by up to 90%. For more information see item 9 of our [“Value Creation Model”](#).



Lower cost

It is cheaper to produce ethanol than gasoline, for example, according to data from Propeq (Chemical Engineering Projects and Research) of Unicamp (State University of Campinas).



Engine health

Ethanol helps keep car engines cleaner for longer (which gives vehicles a longer useful life, conducive with the circular economy concepts).



Better air quality

Using ethanol improves the quality of air in major cities and helps diminish air pollution. Data published by UNICA (Brazilian Sugarcane Industry Association) corroborates this.



Ethanol solubility

Ethanol is soluble in water. One of the advantages of this is that its environmental impact is much smaller in the event of an accident, as there is no risk of contamination, unlike gasoline, which is not soluble in water.



Renewal bioenergy

Sugarcane bagasse is transformed into bioelectricity. Part of this bioenergy generated is used in the mills' operations, and any surplus clean energy is fed into the electricity distribution grid, thereby contributing to Brazil's renewable energy matrix. For more information see item 6 of our [“Value Creation Model”](#).



Positive impacts on biodiversity

As part of our operations, we protect areas, recover springs, monitor fauna and plant native tree species, which brings benefits for biodiversity. Find out more in the items [“Biodiversity”](#) and [“Seedling Nursery”](#), in [“Our actions”](#).



Positive impacts on society

Our operations make it possible to improve the quality of life and create employment and income in our geographies. For more information see item 1 of our [“Value Creation Model”](#) and the items [“Biodiversity”](#), [“Seedling Nursery”](#) and [“Fire prevention and response”](#), in [“Our actions”](#).

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Sustainability strategy

Every day we strive to promote economic, social and environmental value for all parties related to our business. We work ethically, produce timber sustainably, nurture the local development of the communities we operate in, comply with legislation and continually enhance our operations to reduce environmental impact, thus contributing to a better world.

However, we recognize that we have the responsibility to develop our business whilst seeking to contribute to solving the dilemmas and demands of society. We therefore understand the importance of creating a strategic sustainability agenda integrated into our business, with a long-term, multi-stakeholder vision.

In 2020 we therefore initiated an assignment conducted by an internal group, with representatives from multiple Company departments and the support of independent consultants, which analyzed the maturity level of our Company, studied peers in multiple segments and consulted the multi-stakeholder vision through consultation involving some 90 participants, including employees and representatives of suppliers, business partners, the financial sector, associations, academia, amongst others, to ensure that sustainability is an intrinsic part of all of our activities and initiatives.

This process enabled us to identify **priority topics** to focus on, based on our **four guiding principles** – Governance, People, Planet and Prosperity – which are interconnected and mutually complementary.

Based on this group of topics organized into guiding principles, we compiled an agenda of commitments for the period 2020 to 2030, which we call Our 2030 Commitments, aligned with the UN's Sustainable Development Goals - SDGs, which express a strategic map for elevating our business to ever more sustainable levels, to the benefit of future generations.

See below the steps and details of this strategy.



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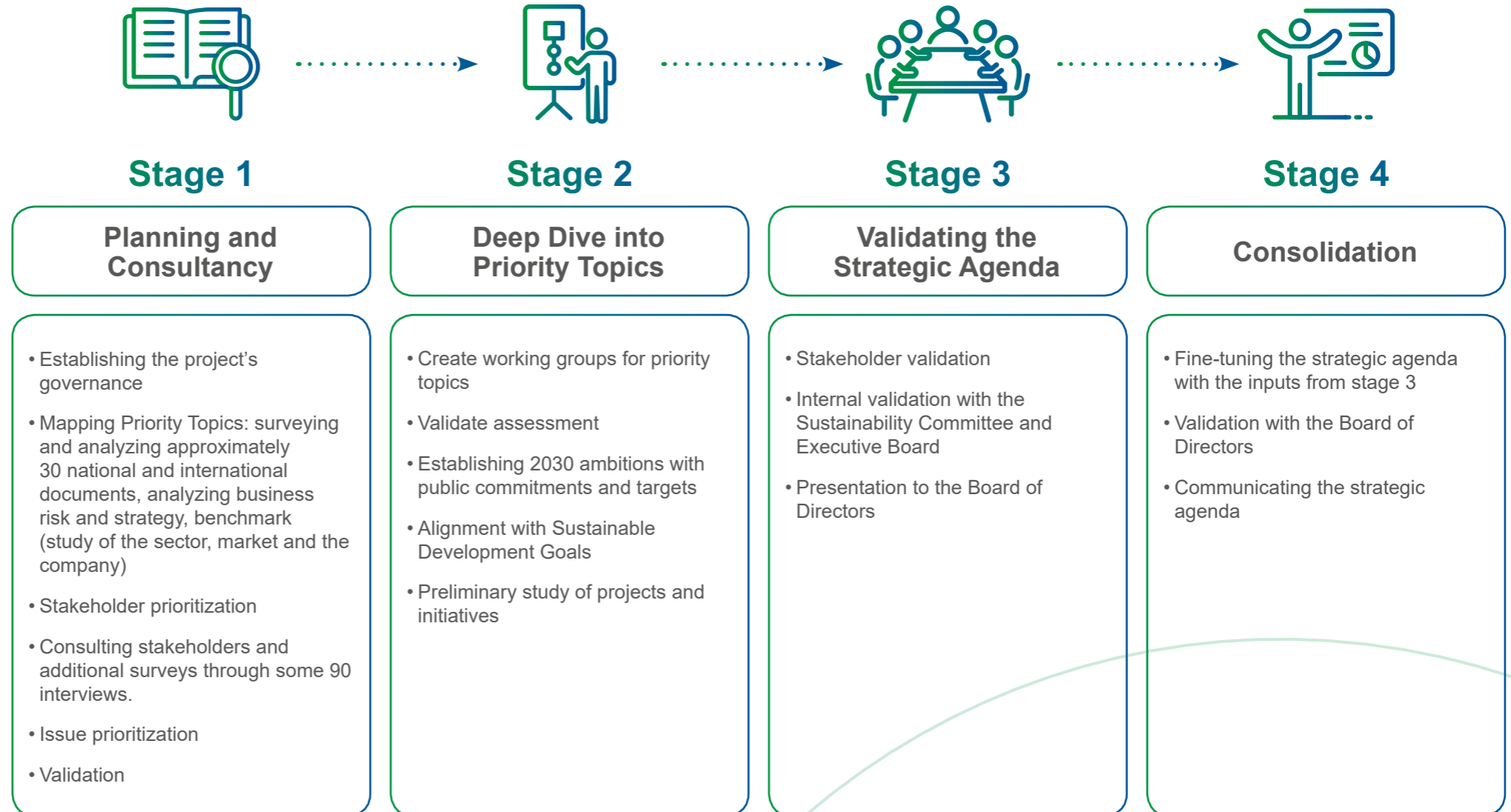
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Methodology for determining 2030 priority topics



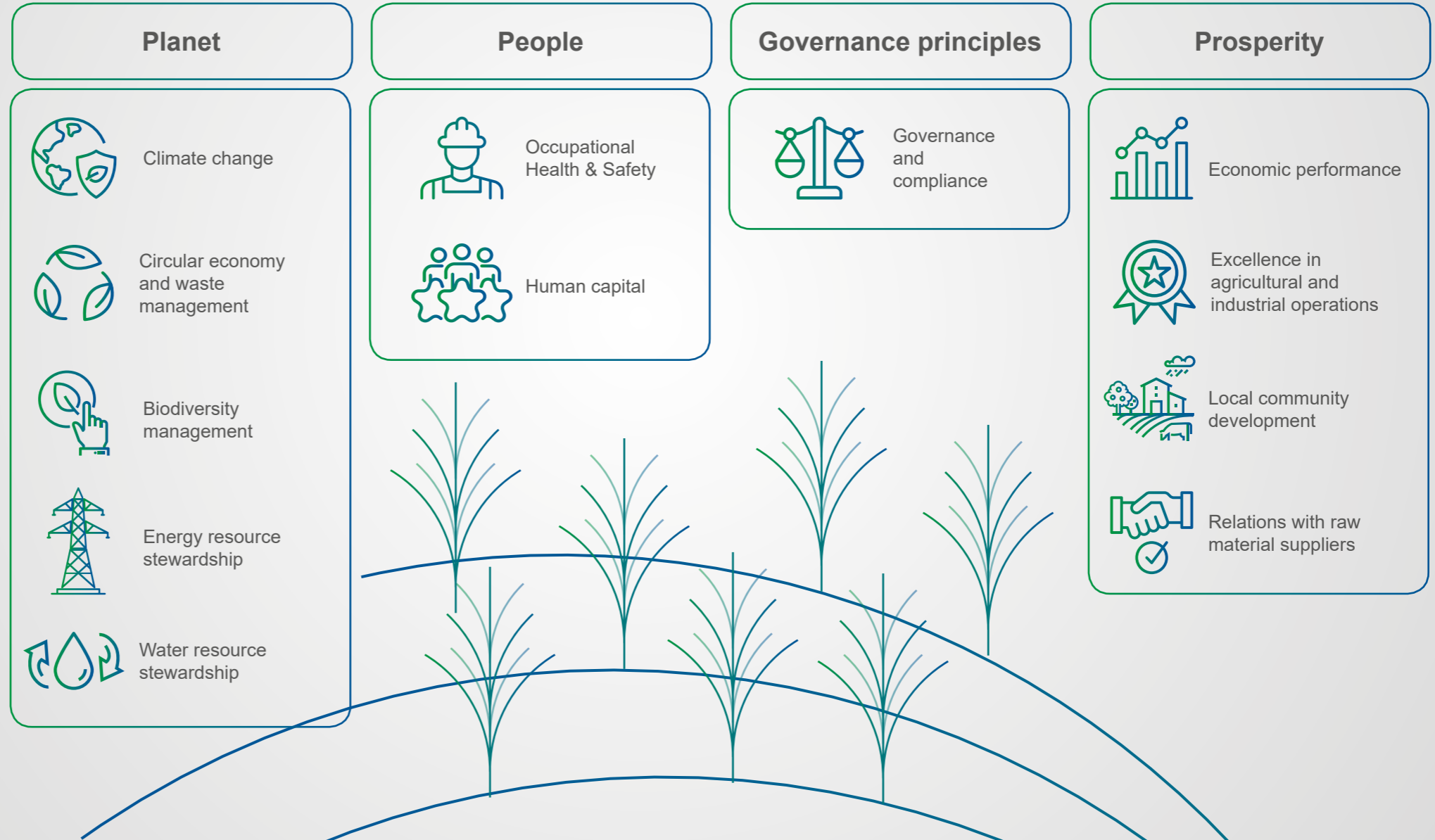
Priority issues

See the 12 topics considered priority in Our 2030 Commitments:

Our 2030 Commitments

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Guiding principles

See more information below about our guiding principles:

Planet

We want to help protect the planet from degradation, supporting sustainable sugar consumption and production, the responsible stewardship of natural resources and the assessment and implementation of initiatives to fight climate change, in order to meet the requirements of present and future generations.

This includes our production activities and our supply chain, monitoring the impacts of manufacturing, sales and distribution.

We are aware that it is crucial to understand the importance of environmental impacts and that mitigating them is essential to creating long-term value and ensuring our products are commercially feasible, also considering all impacts over the life-cycle of these products.

This principle embraces topics such as: climate change; biodiversity management; energy resource stewardship; water resource stewardship; the circular economy and waste management.

People

In our opinion, an ideal world means no poverty and no hunger, so that every single person can live a dignified life in healthy surroundings.

Society is becoming more and more committed to responsible business practices, sustainable economic development, the respect for human rights and creation of long-term value.

People are essential to our Company, which includes employees, partners, third parties, customers, suppliers, distributors, investors and other stakeholders. This contingent creates value for implementing our initiatives and activities.

The priority topics of this principle are: human capital management; development and training; occupational health and safety and respect for human rights.

Governance principles

The principles and premises of good governance are essential to guaranteeing a responsible operation and management suited to our activities, and for supporting stakeholder relations.

With a balanced governance, we can achieve long-term value, aligning around and spurring economic and socio-economic performance and creating legitimacy.

The main topics of this principle are: transparency and governance goals; leadership quality, stakeholder engagement, ethical conduct and integrity in business; legal compliance and regulatory standards and monitoring risks and opportunities.

Prosperity

We believe that all people are entitled to a prosperous life. To achieve this we need economic, social and technological advances, always in harmony with the environment. We cannot be successful without a society enjoying economic and socio-environmental prosperity.

This principle includes vital topics such as: excellence in agricultural and industrial operations; economic performance; community development; and relations with raw material suppliers and producers.

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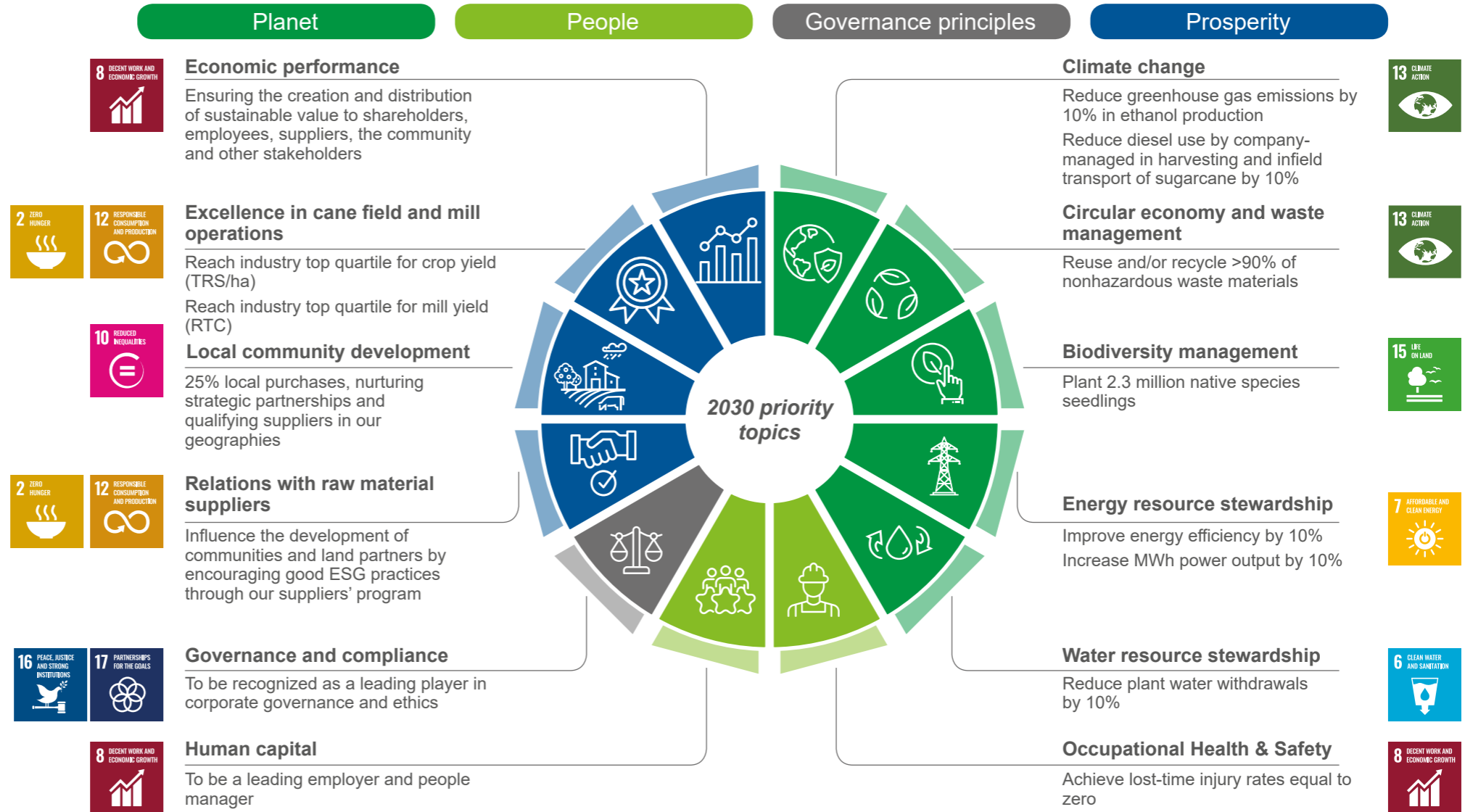
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2030 Commitments:

Find out about our journey of contributing to future generations, organized around 4 guiding principles, with 12 priority topics and 15 targets, aligned with the UN's Sustainable Development Goals. They are also in line with the premises of the International Bill of Human Rights and with the main guidelines of the International Labor Organization's Declaration on Fundamental Principles at Work.



Notes: 1. Metrics and indicators are presented in our Sustainability Report.
2. All monitoring indicators are referenced per ton of crushed sugarcane.

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Biodiversity

We have operations in five Brazilian states (São Paulo, Minas Gerais, Goiás, Mato Grosso do Sul and Tocantins). We are aware of the socioeconomic importance of our activities in the municipalities we operate in and the need to look after biodiversity in all of these locations.

To this end we carry out a series of activities, initiatives and projects that bolster our commitment to long-term sustainability. Such initiatives include:

- Reforestation with native species from the Cerrado and Atlantic Forest biomes in Permanent Conservation Areas (APPs) and Legal Reserves (ARLs).
- Environmental Education Plan.
- Participation in the Springs Program run by the São Paulo state government.
- Requirement for Rural Environmental Registry (CAR) records in areas with active contracts.
- Wildlife monitoring.

Tree Nursery

Located at the **Ituiutaba Plant, in Minas Gerais**, it has **an annual production capacity of 200 thousand seedlings of more than 100 species** including multiple varieties such as *Handroanthus riocordensis*, *Caryocar brasiliense*, *jacaranda carajasensis*, *Schinus terebinthifolia*, *Hymenaea stigonocarpa* Mart. and *Myrcia tomentosa*.

The nursery helps us achieve our commitment of planting roughly 2.3 millions native seedlings by 2030, in addition to sustainable projects in local communities, such as rehabilitating Permanent Conservation Areas for springs in São Paulo state.

Water resource stewardship

Reducing our water intake and consumption and improving the quality of water resources are a part of our sustainable agenda, which aims to ensure the rational use of this precious resource in our agroindustrial processes.

Reusing water in closed circuits in our industrial process, in items such as sugarcane washing, gas scrubbers, boilers and water calling, helps diminish our intake from external sources. Using wastewater and vinasse in the fertigation process also diminishes our need to withdraw water from watercourses for irrigation purposes.



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Fire prevention and response

As **100% of our sugarcane harvest is mechanized, we never set fire to our sugarcane fields**.

Agricultural and forest fires can trigger a range of negative impacts, damaging the health of people, causing economic losses and damaging the environment.

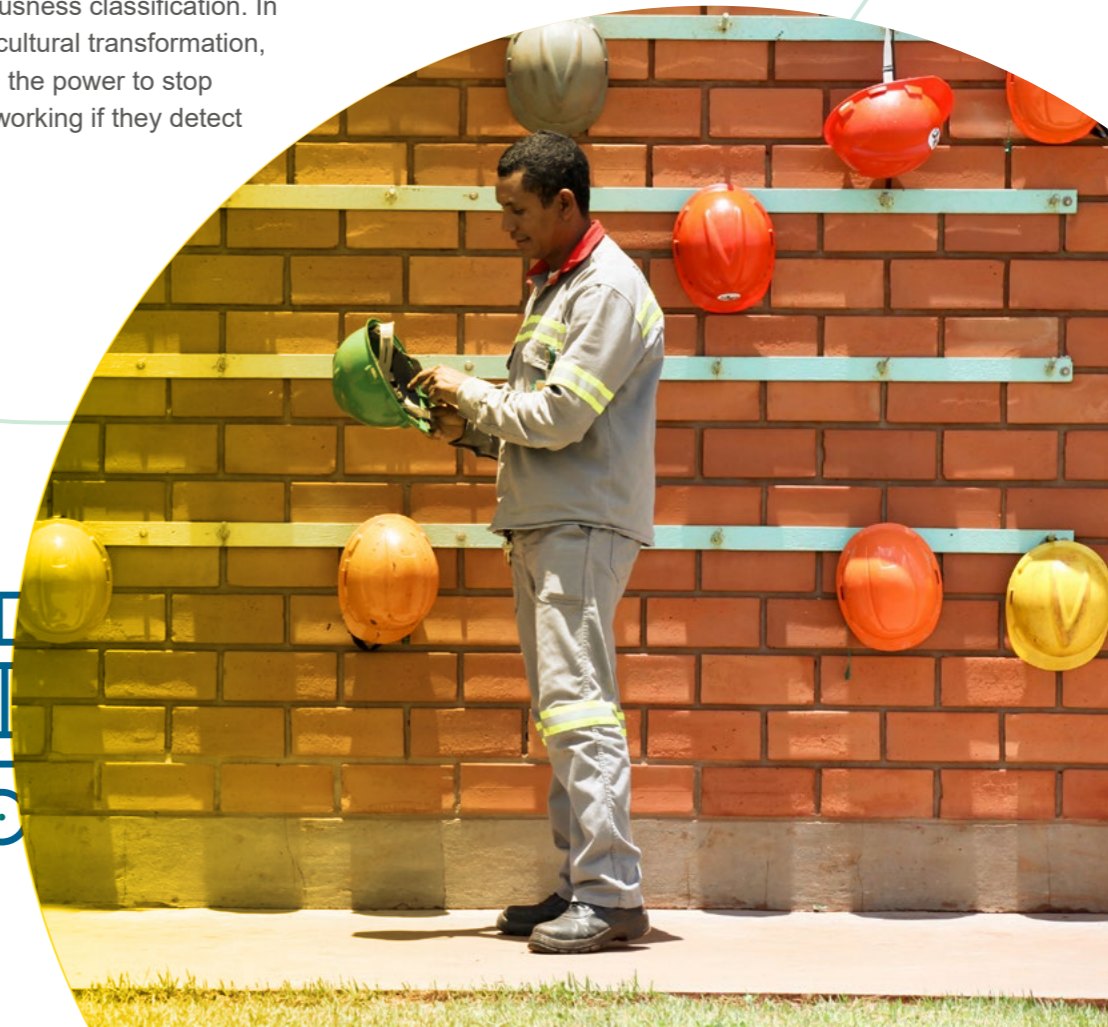
We are permanently aware of this and have the following programs:

- Fire Prevention and Firefighting.
- Classifying and assessing risk areas.
- Monitoring fires by satellite imagery, in real-time.
- Advanced firefighting points.
- Hundreds of dedicated and trained firefighters.
- 108 tank trucks, with three operations boasting fire trucks equipped with automatic water jets.
- Internal and external awareness raising campaigns.
- Participation in Mutual Assistance Plans.
- Specific Personal Protective Equipment (PPE) for all employees engaged in preventing and fighting fires.

Proactive safety tools - Comuniqué and Stop Work

Amongst the multiple safety initiatives we adopt, after analyzing best practices provided by the tools in sector operations, we have introduced the tools **Comuniqué** and **Stop Work** at all of our operations. The number one aim is to prevent accidents in the workplace.

In the case of **Comuniqué**, the internal management system developed creates action plans, statistics for reported accidents and seriousness classification. In **Stop Work**, the concept is a cultural transformation, whereby each employee has the power to stop working or stop others from working if they detect a risk to personal safety.



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Agriculture 4.0

SmartLog

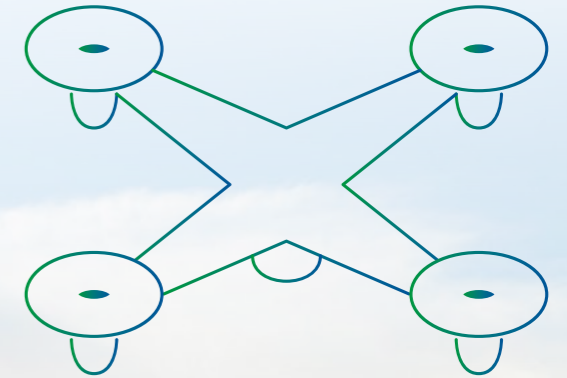
SmartLog is our **seamless logistics center**. An interconnected monitoring system operating from a control tower, which boasts "Industry 4.0" technology such as big data, artificial intelligence, the Internet of things and robotics. This is an information hub which carries out real-time online monitoring of some 1,200 agricultural implements, intervening and creating data for more efficient and results in logistical processes for harvests, loading and transportation (CCT) at our 11 agribusiness units.

The main benefits are greater productivity of machinery and a smaller environmental footprint.

Use of drones/UAVs

At BP Bunge Bioenergia, we use drones/UAVs in numerous agricultural activities. They play a leading role in **biological control of sugar cane fields** at our 11 plants. Drones/UAVs are used to spread *Cotesia flavipes* wasp larvae around cane fields to combat sugarcane borers (larvae that cause huge sugarcane productivity losses).

This technology also carries out the important task of **mapping areas**. The data collected by the drones/UAVs is sent to unmanned tractors in planting operations. The drones/UAVs also conduct planialtimetric surveys fields, mapping out the land, an activity that used to be carried out manually by topographers.



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For the future we will be well positioned to support the growing demand in Brazil for low-carbon bioenergy and sustainable products. We want to advance in best practices and efficiency, maximizing the use of technology and identifying opportunities to develop future productive capacities in our sector.

To share the progress achieved in Our Commitments, we will disclose the results related to this agenda annually in our **Sustainability Report**.



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