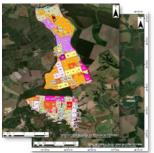


The Due diligence methodology for properties and definition of the investment strategy in forest-based products and by-products has well-defined stages:





Mapping





Infrastructure assessment



- · Characterization of conservation areas
- Evaluation of environmental protection, conservation and education programs

The information collected on site and through the analysis of documents and work on the properties were considered. The observations contained herein are portrayed exactly as observed and are not intended to denigrate or favor any operation or study performed previously and by other institutions.

The following activities were carried out:

- Evaluation of reports and previous studies sent by the Secretariat and Units.
- Prior evaluation of satellite images, with marking of coordinates for field verification.
- Meeting with those responsible for the units, to explain the objectives of the jobs and gather information about the units.



Social and Environmental Assessment







Evaluation of non-timber products

Financial Modeling

Registration



Property Information

- ✓ Maps and documents
- √ Use of the soil
- √ Vegetal cover
- ✓ Degraded areas

Survey of the successional stage of native forests





Forest Inventory





Production planning

Área futura de plantio Volume de madeira

Encargos - única vez Outorga - anual

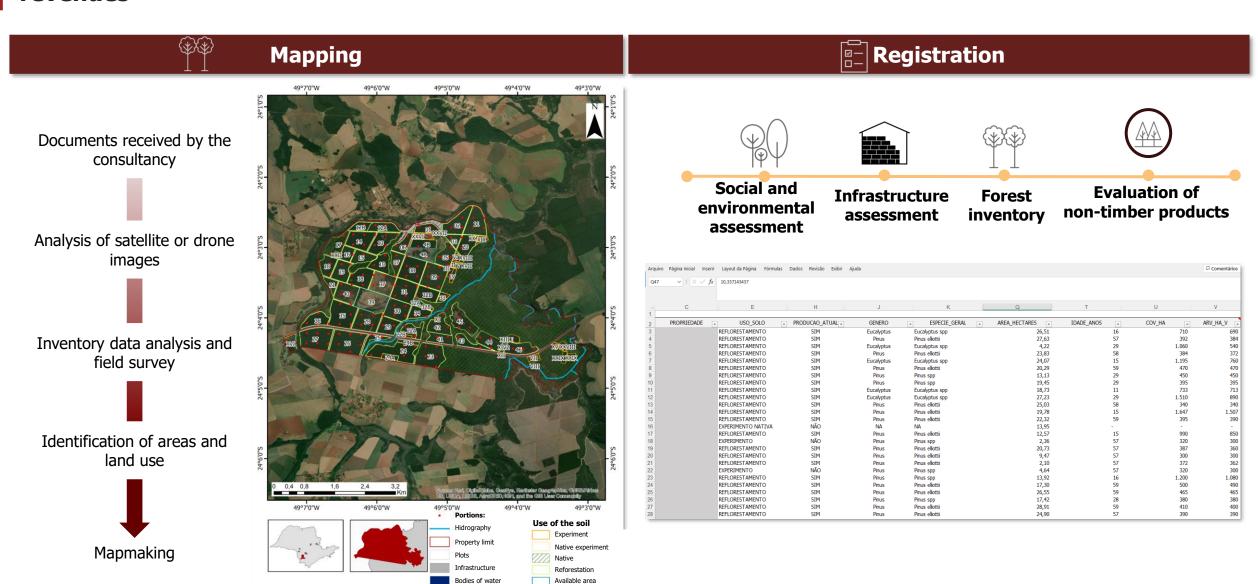
Volume de resina

Receitas Capex Opex Encargos - anual



Unidade	Sam restrigles	04/06/2023	13/09/2023	30/07/2024	Total Geren
	482,99	-	166,85		645,8
	56,72	656,33			713,0
	743,92				975,3
	1.764,84				1.764,8
	314,25	399,70			513,6
tal Geril	3.162,72	1.056,03	166,65	231,39	4,616,5
de 2023 ou 2024 UNIDADE	SORTIMENTO	3933 m	3034 au mais		
Tabela 5 - Volume a					
_	SORTIMENTO				
_	SOSTIMENTO > 151,3,0m				
_		45 068			
	>35;3,6m	45.068 96.147			
	>3513,0m 29-35(3,0m	96 347 85 662	mate		
	>3113,0m 25-35(3,0m 18-25(2,4m	99 347 83 662 34 913	Mark		
_	>35(3,0m 29-39(3,0m 18-25(2,4m 14-18)2,4m	99 347 83 662 34 913	max		
_	>3163,0m 23-3513,0m 18-2512,4m 14-1812,4m	96.347 85.662 54.923 29.884 79.204	HOR		
_	> 3163,0m 25-3513,0m 18-2512,4m 14-1812,4m 06-1412,4m > 3563,0m	96 147 83 662 96 147 83 662 34 913 29 884 91 794	HOLE		

Mapping and registration are the initial steps, essential for extrapolating volumes, costs and future revenues



The evaluation of roads, works of art, evaluation of current and future infrastructures make up the estimate of investment needed in the property



Roads

Types of structures



Evaluated Items:

- Lane width
- State of conservation of the roads
- Road leveling
- Flooring material
- Works of art for water outlets, manholes, speed bumps and others



Evaluated items

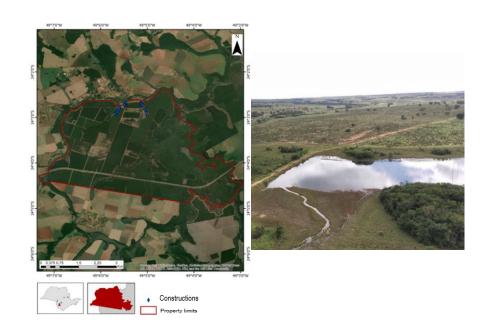
- Type of structure
- Current use
- Building area
- Number of floors
- Type of construction (material)
- General recomendation
- Conservation state





	Nonexistent	Precarious	Reasonable	Good	Satisfactory
Roof			X		,
Floors and coverings				х	
Painting			x		
Doors and frames				х	
Electric				х	
Hydraulics				х	
Accessibility	х				
Structure			x		
Climatization	x				
Furniture	х				

The due diligence process identifies socio-environmental liabilities for subsequent mitigation recommendations







Satellite images

- ArcGIS
- Google Earth
- Drone photos
- On-site verification

Identification of areas

- Legal reserves
- Permanent preservation
- Water resources
- Other conservation areas
- Surrounding communities

Characterization of the assessed areas

- Criticality
- Coverage
- · Impact rating
- Risks and oportunities

The evaluation of successional stages of native areas is also included in the due diligence process of rural properties



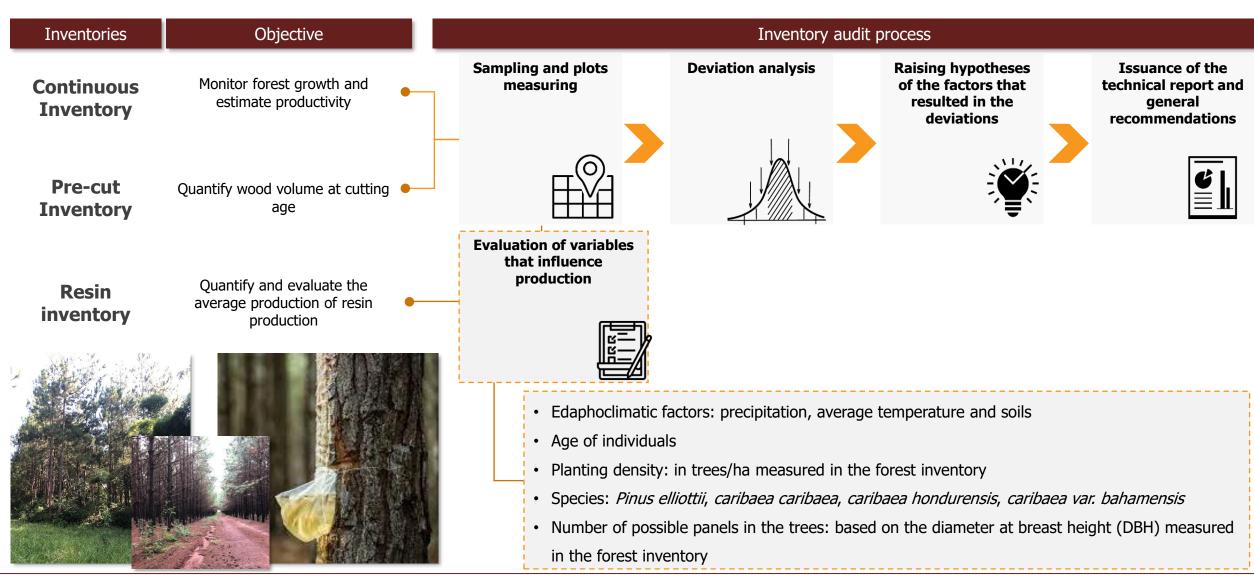


Evaluation of successional stages of native areas

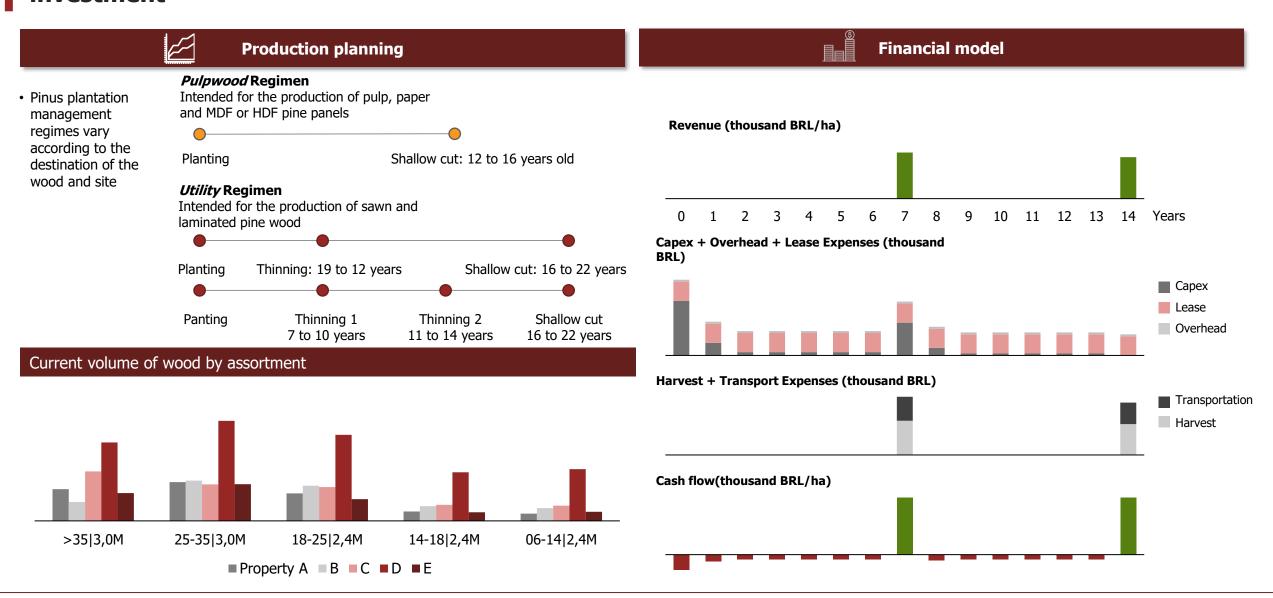
- Characterization of phytophysiognomies
- Sampling of plant formations
- Floristic survey
- Regeneration
- Classification of successional stages

Characterization of conservation areas

The forest and/or resin inventory process seeks to estimate site productivity, currently available volume and production curves for production prognosis



Production planning and financial modeling are essential for analyzing the financial viability of the investment



ESG Tech Consulting is dedicated to understanding the demands and trends of agribusiness to guide growth projects and capture market opportunities. ESG has been operating since 2012 and has already carried out hundreds of consulting projects in several countries



Anthony Andrade Co-Head ESG Tech

Growth and Transformation

Experience in Strategic Planning, Governance, New Business with extensive experience in the Agribusiness market.

Previously, he has served as **Executive Manager of New Business** at Suzano, VP Strategy & Corporate Development at Futuragene, Head of AgriBusiness Advisory at Rabobank, in addition to acting as an Agribusiness.

Graduated in Law (Mackenzie), with a master's degree in Financial Capital Markets (Insper) and Specialization in Tax Planning (FGV).



Carlos Giestas

Co-Head ESG Tech **Operations and Commercial**

Experience in Business Development in national and international markets. Operations and Consulting, with experience and global exposure in countries such as Venezuela, Mexico, Libya, Kuwait and France.

Previously, he has worked at companies such as Schlumberger as Business Manager for Europe and Africa and Ecology and independent consultant in Strategy in Environmental do Brasil as Director of Operations.

> Graduated in Geology (UERJ) with a Masters in Geology (UFOP).



Guilherme Cortez

Portfolio Manager

Leadership in market analysis projects, strategic industrial supply planning, feasibility studies, asset valuations

Experience with operational excellence projects, M&A and site location

Previously head of the agroforestry market intelligence department for Latin America at Pövry Tecnologia

MBA in Business Planning and Management (FAE), Postgraduate in Forest Management (UFPR) and Forest Engineer (UFPR)



Alexandre Di Ciero

Sustainability Partner

Agronomist with over 30 years of experience in forestry operations, management and business sustainability

Implementation of forest restoration projects and management of fauna and flora projects

Auditor of the FSC (Forest Stewardship Council) and CERFLOR (PEFC - Program for the Endorsement of Forest)

Due diligence in assessing environmental liabilities on rural properties

Previously responsible for maintaining forest management and environmental quality management certifications in Suzano's forest areas



Ana Zucon

Projects Manager

Experience on forestry statistics, forestry inventory auditing, forest asset evaluation, and market analysis

Knowledge and experience with Microsoft's Business Intelligence

Previously, she has worked as an analyst for Pöyry Management Consulting Latin America

Double undergraduate degrees in Statistics (UFPR) and Forestry Engineering (ESALQ/USP)

Our approach considers the unique context of each consulting project with a focus on methodological consistency, demonstrable outcomes and long-term partnerships.



ESG

Sustainability reports (GRI)
Diagnostics, due diligences and socio-environmental monitoring

Greenhouse Gas Management

Preparation of Certifications (FSC, CERFLOR, ISO9001, 14001 and 45001) and other ESG services



Strategy and innovation

ESG Strategy

Strategic planning

Expansion plans

Site location

New investments



Governance

Communication plan with stakeholders
Organizational structure



- Pesticides
- Fertilizers
- Genetic material
- Animal health



- Planted forest
- Livestock
- Agriculture
- Native forest
- Fruit growing
- Integrated models



- integrated models
- Pulp & Paper
- Wood panels
- Solid wood
- Foods
- Energy
- Low carbon energy
- Grain processing
- Glass and plastics



M&A

Valuation of assets and companies Acquisition of assets

Growth strategies



Market Analisys

Market analysis and trends

Entry into new markets

New products

Green markets



Operational excellence

Time and motion studies

Cost reduction

Process mapping

Optimization of natural resources

How we can help

Approaches to strategic dialogue

- ✓ The due diligence methodology for properties and the definition of the investment strategy for forest-based products has well-defined stages
- ✓ Mapping and registration are the initial steps, essential for extrapolating volumes, costs and future revenues
- ✓ The assessment of current roads & structures, and mapping of future structures make up the estimate of investment needed in the property
- ✓ Possible environmental and social restrictions and actions necessary to mitigate them are analyzed during the Due diligence process
- ✓ The forest and/or resin inventory process seeks to estimate site productivity, currently available volume and production curves for production prognosis
- ✓ Production planning and financial modeling are essential for analyzing the financial viability of the investment

Forest companies and rural producers

- What is the current availability of wood on the property of interest?
- · Are there environmental and social restrictions and risks?
- · What is the expected volume and revenue from wood, resin and other wood and non-wood products?
- What is the expected demand in the regional market for these products?
- What are the necessary investments (silviculture, harvesting, transport and infrastructure) and their timing?
- Is the investment financially viable?
- What are the financial, environmental and social risks and what actions are needed to mitigate them?

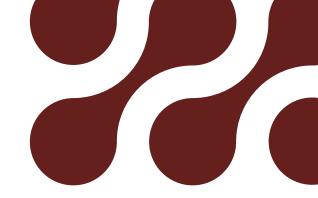
How does ESG Tech contribute to this dialogue?

ESG Tech is a strategy and business development consultancy, focused on the forestry and agribusiness sectors. ESG Tech does not commercialize technologies or is linked to any supplier, in order to ensure the independence of our analyzes and the freedom to seek in the market the solutions that will bring the greatest return to our customers.

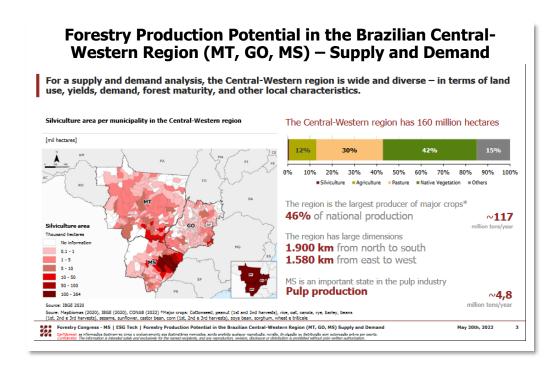
Our team of consultants has specialists in different cultures and different links in the agribusiness chains that can assist our clients in all stages of decision-making and execution.

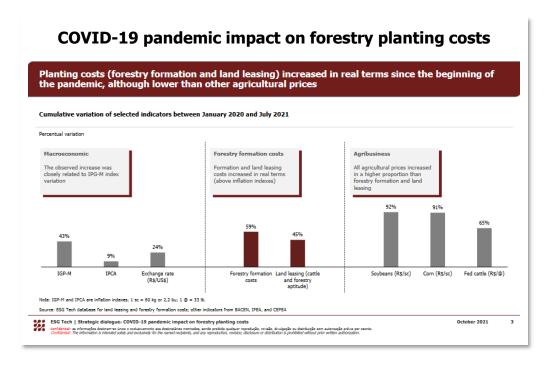
- Market studies: market size, internal and external markets, competitiveness, entry model and financial projections
- Viability analysis: investment and return projections; determination of optimal scale and location
- M&A: from the selection and evaluation of targets or potential strategic partners, to the structuring and negotiation of transactions, as well as support in the management of post-acquisition integration
- Strategy studies: aggregating the studies mentioned above and extracting insights of a strategic nature

ESG Tech publishes STRATEGIC DIALOGUES frequently. They contain current relevant information for decision markets within the Brazilian agribusiness



Recent dialogues





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