

# 2022



## SUSTAINABILITY REPORT



# SUSTAINABILITY REPORT



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## 2022 was a year of great achievements for CJ Selecta.

We achieved a new record results, we have developed new solutions, strengthened ties with our customers, with the communities where we operate in, and further improved our processes, in a continuous effort to continue our evolution as a reference company in innovation, differentiation and sustainability.

*I have much to thank our team members and our stakeholders for yet another remarkable year.*



In recent years we have focused on protecting the biomes in which we operate (Amazon and Cerrado), mainly by sourcing non-GMO soy, based on compliance with international environmental and social standards. For this reason, in 2019 we conducted a study to identify our material topics in relation to the Sustainable Development Goals (SDGs).

**This study gave rise to seven goals to be met by 2022, which, along with other initiatives that have been guiding our corporate sustainability strategies for the future. Among those that have already been fully achieved are the creation of the sustainability department; the annual release of the GRI report; the reduction of the carbon footprint indicator; the maintenance of the commitment not to source soy from the Amazon biome and the creation of an audit program with soy suppliers in the ESG in the Field project.**

Other targets remain in place, already partially achieved, such as maintaining support for effective strategies against conversion in the Cerrado biome and creating initiatives and commitments to control greenhouse gases (GHG), on which we will work to achieve full compliance during this year.

**GUILHERME TANCREDI**  
CEO CJ Selecta

In order to consolidate and expand its scope, we renamed the sustainability filed as ESG in 2021, creating a committee on the topic in 2022 to ensure an even more comprehensive performance. The establishment of the committee, with the various fields present, was an important step for the continuity of projects in a systemic and fundamental way within our governance.

We also had a very active year in the environmental field. In the origination area, where we had already been implementing a series of actions between 2019 and 2021, we continued our ESG in the Field program, in addition to improving the traceability of our soy through satellite monitoring.

During the ESG in the Field audits, and adopting social and environmental assessment criteria, we created the ESG in the Field Award, where the 12 best soy producing farms were chosen, awarded with a book telling their results, their stories and the stories of their owners.

**In the areas of innovation and sustainability, we created a project in partnership with Unilever called Green Refinery, which focuses on the supply of Refined Oil with traceability for the total guarantee of being deforestation-free.** This program is fostering the engagement of indirect soy suppliers, as well as strengthening the partnership with our producers and direct suppliers, thus improving traceability and creating a differentiation in the market.



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## ESG IN THE FIELD

**12 AWARDED  
FARMS**



This program is an important milestone for CJ Selecta's vision. Through which we are able to add value to the entire production chain and deliver a more sustainable product to our society.

We will work to develop new projects such as Green Refinery for other products and I am confident that in the next report we will already have news on this path of innovation, differentiation and sustainability.

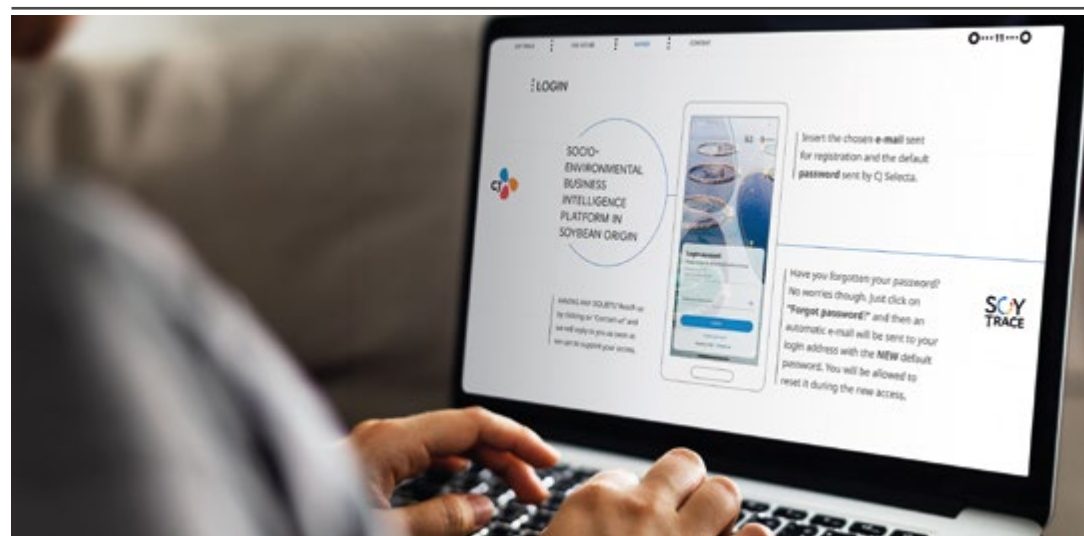
Another important achievement, worked in the same direction, was the development of the SoyTrace app, a tool that allows the traceability of soy in a fast and accurate way, making it possible for our client to follow the soy regions that make up each batch of its product, bringing the most important ESG indicators of the producing regions used.

SoyTrace, which can be used on computer and cell phones, came about as an initiative to more consistently meet the demands of our SPC customers from Norway and other countries in Europe on ESG indicators and traceability of their product, but we are already working towards expanding it to other products in the future.

We work with the purpose of achieving a totally deforestation-free origination, with traceability in our supply chain, because we believe it is the right way for a balanced development aligned with the needs of society, the environment, our customers, the new generations and sustainability in food production.

All these initiatives are fundamental to improve communication with our stakeholders and customers, explaining and showing the work we do for the environment and society.

We will further strengthen our communication, always with transparency and responsibility, through measurable indicators on our products and processes, focusing on constant improvement for all those involved in our activities.



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# FOCUS ON SOCIAL

Another point to be highlighted was the social work done by the company. Although we already had some initiatives in this area in previous years, in 2022 we endeavored great effort to promoting and strengthening the creation of shared value (CSR) within the company.

We started a program in partnership with our employees in the creation of Social and Volunteer Projects to be developed with the communities in which we operate, both at our headquarters and at the branches and factory in Araguari.

Our company acted as a facilitator for these projects, but the idea was to plant the seed of volunteering, stimulate engagement and value in these joint actions of great social impact.

Several projects were carried out, bringing direct benefits to hundreds of people in need and, most importantly, created a permanent solidarity environment within the work teams, a genuine empathy towards others and communities, in addition to the pride of being part of and acting in our company, always remembering that we can collaborate and deliver a part of what we produce voluntarily to our society.

Another project on the social front was a partnership between the company and APAE Araguari, which also started in 2022. We created, in partnership with APAE, an exclusive talent incubator for people with disabilities, so that they can be prepared and included in the labor market, with dignity and respect. Through this partnership, we have already hired 11 people with



## INVOLVEMENT OF EMPLOYEES IN SOCIAL PROJECTS



mild or moderate intellectual disabilities, who are engaged in office and information technology (IT) activities. This is a project that represents much of what we want in the social pillar of our company, which seeks to strengthen relationships and create opportunities for members of the community.

I thank all CJ Selecta employees and our stakeholders for another remarkable year.

## 11 HIRES BASED ON A PROJECT IN PARTNERSHIP WITH APAE DE ARAGUARI



We will continue to work hard, believing in our projects, cultivating our values, to become more and more a global reference in our market, recognized for innovation, differentiation, quality and sustainability.

May 2023 be another good journey for the CJ Selecta.

Guilherme Tancredi  
CEO



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# CJ SELECTA IN 2022

## CREATION OF THE ESG COMMITTEE

Stakeholder consultation and review  
of the company's material issues



HUMAN RIGHTS DUE DILIGENCE  
Improvement of the management of the theme

**607** EMPLOYEES

OVER

**100**

EMPLOYEES ENGAGED IN  
VOLUNTEER WORK

## HR RESEARCH



**88%**  
ENGAGEMENT

**97%**  
SATISFACTION

**98.7%**  
ARE PROUD TO WORK  
FOR THE COMPANY

**90%**  
COMPLIANCE  
WITH SEDEX  
AUDIT

**100%**  
OF SUPPLIERS IN  
COMPLIANCE WITH THE  
SOY MORATORIUM IN  
THE AMAZON

**100%**  
TRACEABILITY  
OF DIRECT SOY  
SUPPLIERS

+

## BEST PERFORMANCE AND RESULTS IN COMPANY HISTORY

**32.83%**  
INCREASE IN  
OUR REVENUE



**9.8  
MILLION**  
LITERS OF ETHANOL  
PRODUCED

**21.9  
MILLION**  
LITERS SOLD  
consolidation of  
fertilizer portfolio

**730,478.483**  
TONS OF SOYBEAN CRUSHED

## SOYTRACE TRACEABILITY APP LAUNCHED

SUSTAINABILITY MONITOR LAUNCH

RTRS  
CERTIFICATION FOR  
GMO PRODUCTS



BRONZE MEDAL  
AT ECOVADIS



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# PIONEERING AND INNOVATION



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## CLIQUE

TO LEARN MORE ABOUT THE  
CJ CHEILJEDANG GROUP



### GRI 2-1

We are CJ Selecta S.A. and for 39 years we have been performing as pioneers in the production of soy-based products for several segments. We are known as one of the leading names in this industry in Brazil, as well as one of the largest exporters of Soy Protein Concentrate (SPC) from transgenic and non-transgenic soybean sources. In addition to SPC, CJ Selecta also produces oil, lecithin, molasses, fatty acid, ethanol, organomineral fertilizers, tocopherol and soy hulls.

The innovative vision is present at every step of our strategy. From marketing and sales work focused on close customer relationships, the development of new applications and technical marketing strategies, to our performance with operational excellence, we work looking at the sustainability of the business and our value chain.

# 39 YEARS IN THE MARKET

Since 2017, we are part of the South-Korean group CJ - CheilJedang, which started controlling 100% of CJ Selecta in 2019. Founded in 1953, the group is one of the global leaders in sales of food, pharmaceuticals products, biotechnology, entertainment, media, home shopping and logistics. The soy trading, logistics and biotechnology area is the focus of the Brazilian operation.

**CLICK**  
HERE TO ACCESS THE  
CJ SELECTA WEBSITE



## HOW WE OPERATE

We grow with innovation along our trajectory, always searching for the leadership in the development of products and services that meet the needs of customers and partners with highest quality. We believe in sustainability, innovation and quality as defining concepts of our action as a company, which are reflected in the continuous search for evolution, high competitiveness and the diversification of our products.

Based on a solid strategy, our competence and experience, we seek to act in an increasingly efficient manner and contributing with society and the environment. We are always concerned with sustainability, we seek quality in the control of products and processes, adding strategy, know-how and competence, as well as a flexible cost structure to adapt to the changings in the corporate environment.

DRIVEN BY  
INNOVATION

GRI 13.23.1, 13.23.2, 13.23.3, 13.23.4, 3-3

Innovation and the constant improvement of our processes move us and point out new paths that lead to better products, more efficient, more sustainable processes with high productivity for our operation and for our customers.

CJ Selecta understands that sustainable development is the only way to carry out its business and works to enable positive impacts on the environment and society. Our goal is to provide safe and quality services and products, strengthening the brand and reliability, respecting the environment, complying with the environmental laws and respecting human rights.

We recognize our role in transforming the market to ensure a low-carbon economy, a more sustainable production, the global food safety, preservation of natural resources, and respect for human rights and indigenous peoples.

In 2022, these were some of the important steps that CJ Selecta took in this direction:

**Sustainability Monitor:** project to integrate the satellite farm monitoring platform with the SAP system, which consists of systematically blocking soy suppliers which do not comply with CJ Selecta’s sustainability policy. All soy purchases are available for analysis by the ESG department.

**Soy Trace:** creation of monitoring app. APP Soy Trace is an exclusive and secure solution by app for CJ Selecta international customers, offering convenient access to documents with traceability information on exported SPC Non-GMO, from origin to shipments.

**Eco-efficiency:** water consumption is reduced by 9.26% in 2022 when compared to 2021, due to improved processes and in increased employee awareness.



**Green Refinery:** a project that consists in supplying a refined soy oil with a guarantee of zero deforestation and respect for human rights. In partnership with Unilever, the project should be a reference for the market and a milestone for new ESG products within our company.

**RTRS certification for GMO products:** since 2016, CJ Selecta has been a member of the Round Table on Responsible Soy (RTRS) foundation, and, in 2022, we will begin work to audit farms to this standard. After certification, soy which is traded from these farms will have a differentiated value compared to non-certified products.

9.26% REDUCTION OF OUR WATER CONSUMPTION



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TOTAL EMPLOYEES  
(BRAZIL): 607



INDUSTRIAL UNIT:  
ARAGUARI (MG)



COMMERCIAL OFFICES:  
UBERLÂNDIA (MG) E SÃO PAULO (SP)



## WHERE WE ARE

GRI 2-1, 2-2, 2-6

Located in an area of approximately 57 hectares in the city of Araguari (State of Minas Gerais), CJ Selecta operating unit was built according to the highest standards of technology and undergoes constant modernization to maintain the highest levels of quality, safety and operational efficiency.

Focusing at the development of new markets, in 2019 the operations of the plant for organomineral fertilizers derived from the processing of soy molasses started. The following year, the ethanol production plant, which is derived from fermentation of soy molasses, was built.

### BRANCHES

#### STATE OF MINAS GERAIS

Araguari, Patrocínio, Coromandel, Uberlândia, Unaí, Uberaba and Ibiá

#### STATE OF GOIÁS

Catalão, Rio Verde and Itumbiara

#### STATE OF MATO GROSSO

Barra do Garças and Primavera do Leste

#### STATE OF TOCANTINS

Lagoa da Confusão

### CUSTOMERS

#### AMÉRICAS

Brazil, Canada, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Peru, United States, Venezuela, Argentina and Dominican Republic.

#### EUROPE

Germany, Bulgaria, Slovenia, Spain, Estonia, Finland, France, Greece, Netherlands, Norway, Italy, Poland

#### ASIA

South Korea, Philippines, Indonesia, Japan, Jordan, Malaysia, Thailand, Taiwan, Tunisia, Turkey, Vietnam

#### OCEANIA

Australia



## CJ SELECTA'S CERTIFICATIONS

### FSSC 22000

It certifies the effectiveness in managing food safety for products aimed at the human food industry. Since 2018, CJ Selecta has met the requirements of this certification.

### GMP+ (Good Manufacturing Practices)

Certification that refers to good manufacturing practices, widely recognized in the world's means of production. Since 2012, CJ Selecta has followed the requirements of GMP + B2 and B3, reinforcing our guarantees in the matter of food safety and sustainability in the production and in the supply chain.

### Kosher

Attests that the products follow the specific rules that govern the orthodox Jewish diet. Since 2015, CJ Selecta has met the requirements.

### Halal

With certification since 2019, CJ Selecta guarantees the food export to markets with specific rules of compliance with the Sharia Halal law.

### ProTerra

Besides the seal for Non-GMO products, the certification guarantees transparency, social responsibility, and traceability throughout the soy supply chain applicable to our products.

### Non-GMO

The ProTerra certification for Non-GMO (non-transgenic) reassures, since 2015, that we are in compliance with European regulations for human and animal food.

### Sedex (SMETA)

Sedex Members Ethical Trade Audit (SMETA) comprehends all aspects of responsible business practice, covering four pillars: Work; Health and Safety, Environment and Business Ethics.

### RTRS

Certification of GMO soy farms under the Round Table on Responsible Soy (RTRS) standard ensures that the soy was produced under environmentally friendly, socially fair and economically viable conditions, with zero deforestation and zero conversion.



# MAIN ENTITIES IN WHICH WE PARTICIPATE

GRI 2-28

## National Association of Cereal Exporters (ANEC)

Commitment to the program for non-trading of soy sourced in the Amazon Biome. We are signatories of the soy moratorium in the Amazon. [www.anec.com.br](http://www.anec.com.br)

## Brazilian Association of Vegetable Oil Industries (Abiove)

It represents 17 companies producing bran, vegetable oils, and biodiesel, cooperates in the implementation of the industry's policies, promotes sustainability programs, and prepares statistics used in the industry's studies. CJ Selecta is a board member, participates in the Soy Working Group (GTS) and also in the Carbon Working Group (GTC) [www.abiove.org.br](http://www.abiove.org.br)

## ProTerra Foundation

Its role is to promote sustainability at all levels of human and animal food production system. ProTerra Foundation brings together a global network of companies that support more sustainable agricultural practices in conventional crops, respecting workers and the dignity of communities. [www.proterrafoundation.org](http://www.proterrafoundation.org)

## The Marine Ingredients Organization (IFFO)

An international trade organization that represents and promotes the marine ingredients industry (fishmeal, fish oil and other related products), used in animal feed and human consumption [www.iffco.com](http://www.iffco.com)

## Round Table on Responsible Soy (RTRS)

The RTRS Foundation promotes the responsible production, processing and marketing and consumption of soy. Through it, we participate in global debates on environmentally friendly, socially just and economically viable production. After the certification according to the RTRS Standards for Responsible Soy Production, the producer receives credits equivalent to the volume of certified soy production. Focusing on our commitment to responsible production, we have been sourcing credits since 2016, and in 2022 we certified the CJ Selecta product group. [www.responsiblesoy.org](http://www.responsiblesoy.org)

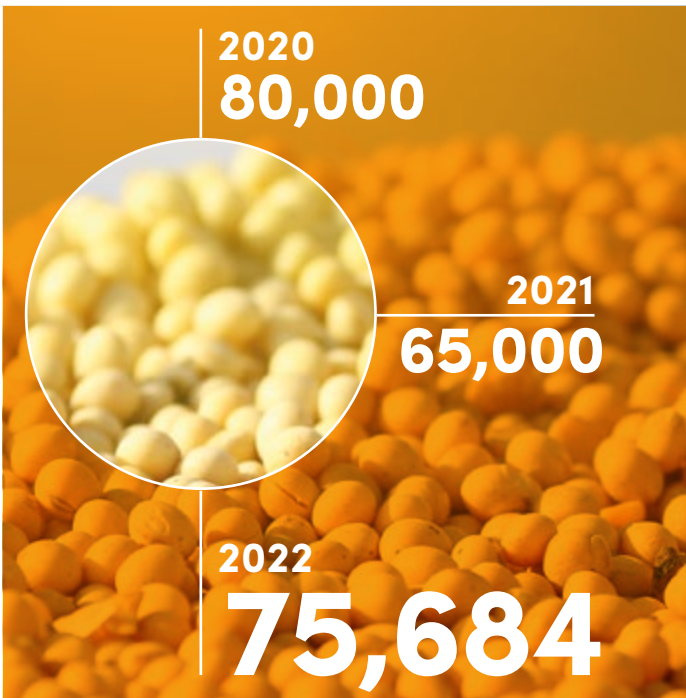
GRI 13.23.3

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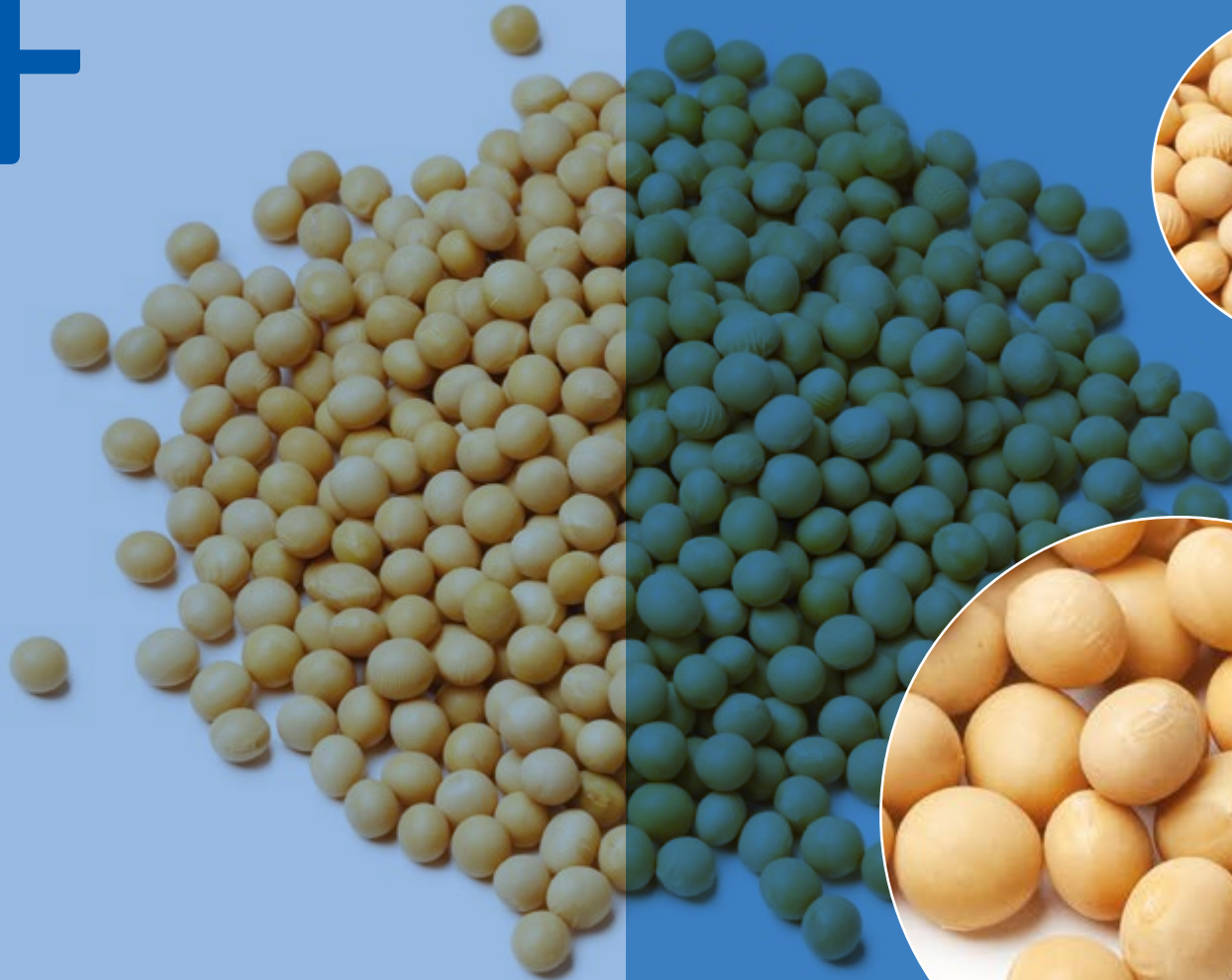
TO FIND OUT MORE ABOUT THE RTRS



## VOLUME OF RTRS CREDITS THAT CJ SELECTA HAS NEGOTIATED WITH ITS CUSTOMERS



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At CJ Selecta we dedicate to achieving high standards of excellence in our products, resulting in a prominent position among the leading manufacturers of sustainable vegetable proteins for the animal feed industry in Brazil and worldwide. We place ethics, transparency and integrity as a priority in all actions and areas of our business to become a reference in the markets where we operate.

We are committed to the best corporate governance practices, based on principles of respect, open dialogue and transparency with the market and all of our stakeholders. As part of the CJ Group, we follow global guidelines in our operations in Brazil, such as the CPWS (Culture, Platform, Wellness and Sustainability) management philosophy.

Our Board of Directors is comprised of four members, including the Chairman, all of whom are male, aliens in a non-executive position, appointed by the shareholders and resident in Korea. There is currently no formalized process for appointing board members, all of whom are appointed by CJ Group shareholders.

As provided for in our Bylaws, it is the responsibility of the Board of Directors, among other duties, to

Name	City	Position
Bong Soo Hah	Seoul	Chairman of Board
Seokhwan Yoon	Seoul	Board Member
Hae Yeong Jang	Gyeonggi-do	Board Member
Il Sung Kang	Seoul	Board Member

**SEDEX GLOBAL**

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We are affiliate to Sedex Global and work in compliance with the guidelines of Sedex Members Ethical Trade Audit (SMETA), this is one of the demonstrations of our commitment with the best business practices and responsible and ethic actions in global supply chains.

elect, supervise and dismiss the Company’s Executive Officers, establishing their duties and the amount of their respective compensation, to issue an opinion on the annual management report and accounts of the Executive Officers, to choose and dismiss the independent auditors, to establish the general salary policy and other general personnel policies, including, but not limited to, any benefits, bonuses, any other piece of compensation and participation in the Company’s results. Meetings of the Board of Directors are held ordinarily, at least once every quarter and extraordinarily whenever the corporate interests so require.

In addition to the board members, the company has nine executive board members, all men, resident in Brazil, of Brazilian and Korean nationality, with executive position and elected by the Board of Directors. In Brazil, the president of the highest governance body is identified in with the title of the CEO, also an executive of the organization.

Our bylaws, the highest law that governs the company, provides for the need for approval by the Board of Directors in matters that represent a financial impact

for the company in the economic, social and environmental spheres, being the highest governance body in the approval and updating of the statement of values or mission, strategies, policies and purposes related to sustainable development.

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-24

Name	City	Position
Guilherme Castanho Tancredi	Uberlândia (State of Minas Gerais)	CEO
Alessandro Santana Reis	Uberlândia (State of Minas Gerais)	COO
Fernando Betinardi	Araguari (State of Minas Gerais)	Director**
Vinicius de Andrade Amorim Melo	Uberlândia (State of Minas Gerais)	CFO
Sang Jin An	Araguari (State of Minas Gerais)	Director**
Jaenseung Lee	Uberlândia (State of Minas Gerais)	Director**
Junghun Paek	Uberlândia (State of Minas Gerais)	Director**
Young Ho Hong	Araguari (State of Minas Gerais)	Director**
Oh Seok Kwon	São Paulo (State of São Paulo)	Director**

\* Industry, \*\*Administrative, \*\*\*With no specific title

TALK TO US

...

LOGISTICS: [LOGISTICA\\_CJS@CJ.NET](mailto:LOGISTICA_CJS@CJ.NET)  
PROCUREMENT: [SUPRIMENTOS\\_CJS@CJ.NET](mailto:SUPRIMENTOS_CJS@CJ.NET)  
FERTILIZERS: [FERTILIZANTE\\_CJS@CJ.NET](mailto:FERTILIZANTE_CJS@CJ.NET)  
SUSTAINABILITY: [SUSTAINABILITYSL@CJ.NET](mailto:SUSTAINABILITYSL@CJ.NET)  
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# PURPOSE AND VALUES



## PHILOSOPHY

To contribute to national economic development and people's lives through business. Maximize the ability of talented people and create an environment of respect. Pursue profit and prosperity through rational management and innovation.



## MISSION

To contribute to the global community by providing the best value with our OnlyOne products and services.



## VIEW

To become a global benchmark in soy nutrients with innovation, quality and sustainability.



## VIEW

**ONLYONE:** to achieve leadership with fundamental competence being the first, best and different.

**TALENT:** to become a leader with exceptional talents and corporate culture.

**SHARED GROWTH:** to be respected by society for composing ecosystems and creating shared value.



## OUR VIEW

TO BE A GLOBAL REFERENCE  
IN SOY NUTRIENTS, WITH  
INNOVATION, QUALITY AND  
SUSTAINABILITY

## COMPLIANCE



In 2022 we established our Compliance department, structured as a support area to the Legal department to oversee the implementation of company policies, procedures and processes. For 2023, we have, as a plan, to create a committee which put together members and focal points from various areas in an effort to make processes even more efficient, in accordance with the legislation of our country and those with whom we do business, as well as our company's rules.

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CODE OF CONDUCT

GRI 2-15, 2-23, 205-1, 205-3, 3-3

Our actions are based on policies and guidelines that must be followed by all our employees. The purpose of these rules is to guarantee a better work environment, respecting and treating people with dignity and contributing to the business growth.

We do not accept any type of harassment, as well as discrimination or prejudice of any nature. Furthermore, we do not accept slave labor or under similar conditions, as well as the use of child labor, both within our companies and in our suppliers and business partners.

We also have a Code of Conduct for suppliers, which follow the same guidelines of our company’s rules. The code’s principles are critical for supplier selection and evaluation, as well as for employees and third parties.

The company complies with the commitments and carries out internal audits, as well as undergoes external audits from internationally recognized agencies to verify compliance with the commitments undertaken.



FIGHTING CORRUPTION

Corruption is considered in our Corporate Code of Conduct to be unacceptable. All employees are trained in the knowledge and practice of this code on a regular basis, so that they remain informed and aware of their role as part of the company and as citizens. In 2022 there were no records of corruption cases in the company. In addition, the checks carried out by the internal audit did not identify any risks associated with corruption in the company’s operation.

All crucial concerns can be notified through the Ombudsman Channel or directly to HR. Handling depends on the seriousness of the situation and can be resolved by HR together with the concerned parties, with the knowledge of CJ Selecta’s management, board and chair. Senior management will be responsible for triggering an investigation in an impartial and discreet manner, in accordance with the disciplinary measures governing the company.

GRI 2-16, 2-17, 205-1, 205-2, 3-3

CLICK



TO ACCESS OUR CODE OF BUSINESS CONDUCT

CLICK



TO ACCESS OUR SUPPLIER RELATIONSHIP POLICY

E-MAIL



OUVIDORIA\_CJS@CJ.NET



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# POLICIES

## SUSTAINABILITY POLICY



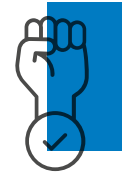
We have a Sustainability Policy in place that has among its main commitments the fight against deforestation and the management of this issue. We recognize our fundamental role in promoting a soy supply chain free of deforestation and conversion (legal and illegal), our responsibility to reduce the carbon footprint of soy, stop deforestation and promote good agricultural practices that reduce greenhouse gas emissions.

The policy formalizes CJ Selecta's guiding principles and procedures for contributing to a sustainable soy value chain and reinforces the long-term vision of becoming a global reference in soy nutrients through innovation, quality and sustainability. It is based on the Accountability Framework Initiative (AFi), a set of common standards and guidelines to establish, implement and monitor ethical commitments in the supply chain in the agricultural industry.

The policy is known by all employees, and complied with externally by our suppliers, mainly with operations in the Amazon and Cerrado biomes. With the commitment and policy of fighting deforestation, CJ Selecta's ESG department is in charge for carrying out socio-environmental analyses based on a satellite geomonitoring of the producing areas which may supply soy to CJ Selecta.

In order to ensure the dissemination and awareness regarding this policy to stakeholders, training sessions were held and commitments were shared.

## HUMAN RIGHTS POLICY

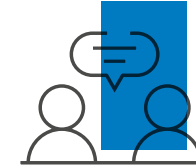


Between October 2022 and April 2023, we conducted a Human Rights Due Diligence, assessing the actions required to build a policy on the subject in the company. The purpose of this project is to identify, classify and prioritize potential human rights impacts in CJ Selecta's supply chain and operations. In addition, we will work on the set of recommendations to address the topics raised and thus improve the company's Human Rights management.

The project resulted in a risk matrix which identified potential positive and negative impacts, with recommendations to prevent and mitigate potential and actual harms related to the company's operations and supply chain, as well as an assessment of the current management regarding gaps and opportunities for improvement.

GRI 2-23

## CONTACT WITH STAKEHOLDERS



We believe in the power of dialogue and the importance of relationships to build a stronger company aligned with best practices in all our areas. Through the Ombudsman channel at CJ Selecta and the Contact Us on our website, all stakeholders can make complaints, questions or compliments on all matters concerning CJ Selecta.

The verification is done by the HR department and by the Internal Control administrative department, which assigns and compiles the information. The issues brought by customers are received by the Customer Service department, which sends them to the QHSE (Quality, Health, Safety and Environment), area, which reports and monitors these complaints.

GRI 2-25

CLICK  
TO CONTACT US



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# PERFORMANCE AND OPERATIONS



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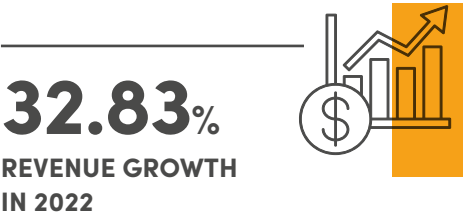


GRI 201-1, 3-3

2022 year presented the best result in our history. Our revenues reached the amount of US\$ 905,600.00, an amount 32.83% higher than the amount of 2021. This growth is linked to the price variations of commodities in the soy complex in the last few years, conditioned by the war and the kidnapping of grains in Ukraine, and besides the soy crop failure in countries like Argentina.

Other factors that had an impact on this result were the strategic decision of the board to add value to soy complex products, such as green fertilizers, manufactured on an organic and non-mineral basis, and oils developed with the “green seal” in partnership with Unilever. The commercialization of non-GMO products, such as soy meal and lecithin were also decisive, due to their high value added and potential for price increase in the European and Asian markets.

We take every measure and spare no effort in maintaining a healthy balance between our operating costs and our revenues, ensuring efficient and sustainable financial management. As for our



DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (IN THOUSANDS OF USD)

	2020	2021	2022
DIRECT GENERATED ECONOMIC VALUE	513,324.00	681,750.00	905,600.00
Revenues	513,324.00	681,750.00	905,600.00
DISTRIBUTED ECONOMIC VALUE	452,970.16	554,193.78	753,722.75
Operational costs	404,691.92	464,042.09	656,156.27
Wages and benefits of the employees	16,568.20	19,332.83	14,118.78
Payment to capital sourcing	7,990.71	5,425.85	11,670.83
Payment to the government	23,719.32	65,338.85	71,761.01
Investment in the community	0.00	54.16	15.86
RETAINED ECONOMIC VALUE	60,354	127,556.22	151,877.25

employees’ wages and benefits, the main variations are related to the company’s profit sharing program, which reflects CJ Selecta’s excellent performance in recent years. In addition, **we had wages and benefit adjustments, as well as an increase in the workforce.**

Regarding payments to capital providers, during 2021 interest rates were at levels considered low compared to those currently practiced by financial institutions. Along with this favorable situation, we adopted a strategy of reorganizing the payments of some key suppliers for

the second half of the year, when the cash flow is positive. In 2022, in addition to the increase in capital costs, we also took out loans so that we could meet the dividend payments to the shareholders.

With regard to payments to the government, CJ Selecta had accumulated tax losses to be offset until the year 2020, when we started collecting taxes. The variation between 2021 and 2022 occurred due to the increase in the company’s net income.



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ETHANOL PRODUCTION IN 2022 WAS

**9.8 MILLION LITERS,**

**2.4 MILLION LITERS MORE THAN THE PREVIOUS YEAR**



## OPERATIONS

In 2022, we crushed 730,478.483 tons of soy, less than the 735,551.21 of 2021. Even with a lower margin, we have achieved an operating profit of US\$ 142 million, US\$ 10 million more than in the previous year.

Although we got back to normal pace in 2022, significant changes at the end of the year affected bulk production and demand for SPC. Notwithstanding these impacts, our business has remained resilient and, in addition, **we are working on management goals to optimize inventory and increase payment terms.** Price increases also impacted us, although we benefited from the sale of oil in the domestic market last year, a product that increased its presence in the company's total revenue.

## SEARCHING FOR THE GREEN LOAN



As part of our ESG goals, one of the challenges facing CJ Selecta's finance department is to secure our first stamp green loan. The team has been working closely with ESG management to discuss possible ways to access this important milestone.

One of the assets of the company is having the ProTerra seal. This certification guarantees traceability throughout the conventional soy chain applicable to our products, and because of that, it does not need to hire an independent auditor to gather the information required by banking institutions when granting loans aligned with ESG practices. Negotiations are expected to continue throughout the year and their successful conclusion represents a recognition of our responsible actions.

## IMPROVEMENTS AT THE ETHANOL PLANT



For 2023, there is a positive outlook for the ethanol plant. Production in 2022 was 9.8 million liters, 2.4 million more than the previous year. In operation since 2021, the plant has the capacity to produce 30,000 liters of ethanol per day. Even though it has not yet reached this daily volume, the result achieved in 2022 is considered excellent and reflects the good practices of CJ Selecta and the various investments received by the unit.

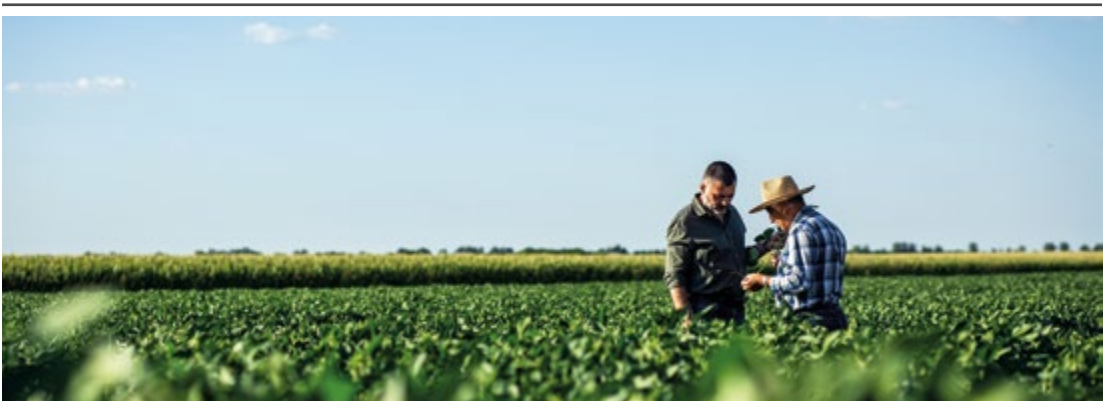
During the year, several studies were carried out on the plant biological process, and were identified the best yeasts and bacteria that act in the conversion of sugar into ethanol. In addition, the start-up of the plant was faster than in previous years, reaching nominal production in just one week. Based on these findings, the team in charge for the plant will work on processes to make it even more productive.

## FERTILIZERS (PLANT NUTRITION)

With the Plant Nutrition portfolio, **CJ Selecta contributes to sustainable soil management in various productive environments throughout Brazil**. Always focused on innovation and sustainability, since 2018 we have been working on building a portfolio of products to optimize and enhance crop productivity through the efficient and correct use of nutrients applied to the crop. Thus, from our organic technology and with the use of biocarbon, our fertilizers help to improve the physical, chemical and biological characteristics of the soil.

With a significant consolidation of our portfolio, we closed 2022 with very positive results in the field. We have standardized our communication and the positioning of our products among different crops (soy, coffee, etc.), defining specific protocols for each of them, a strategy that has contributed to the exponential growth of this business.

One of the products that stood out in the year was the **Fision Biostimulant**, which reached a production of **217 thousand liters in 2022** (three times more than 2021), a remarkable achievement for the company. The team conducted several quality field-tests, in which the product showed consistent results, increasing the farmer's productivity. This year we also launched the Legat, a line of adjuvants developed according to an application technology that improves the way the producer does his spraying, avoiding waste.



Another important project was the implementation of Power BI, systematizing the business information, and, soon, we will also implement the Sales Force software for the department. This Customer Relationship Management (CRM) software will bring more efficiency the internal processes and in the relationship with our customers.

We also have plans to interact more and more with our parent company, bringing to our customers the knowledge and all the know-how that CJ has - as the world's largest player in this market - in the amino acid sector.

**CLICK**  
HERE TO LEARN MORE  
ABOUT OUR FERTILIZER  
PORTFOLIO



	2020	2021	2022
Statistical tests	11	37	29
Number of customers	319	186	173
Sales team members	18	40	31
R&D and facture team members	12	26	18
Volume of liters sold	12,076.905	17,672.566	21,048.106



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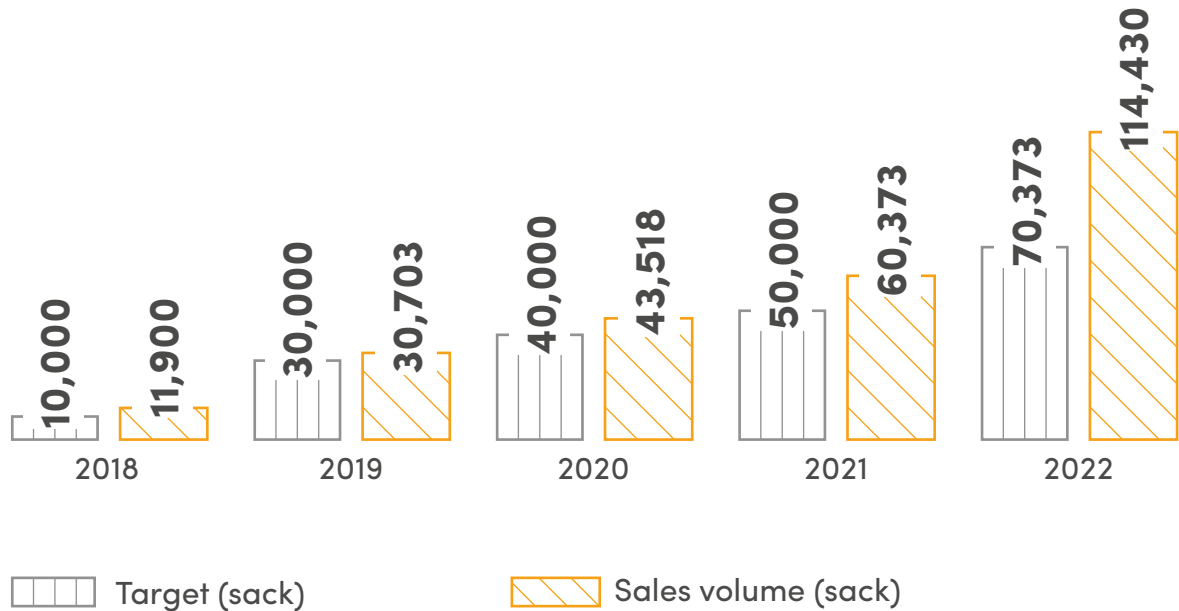
# PROJECT SEEDS

It started in 2018 aimed at negotiating non-transgenic soybean seeds for planting growth, the project reaches its fifth year evolving with each cycle and betting on this promotion mainly in the states of Minas Gerais, Goiás, Tocantins and Bahia.

With the help of a team always close to the producer, we are seeking partnerships with seed developing institutions to obtain the latest in the market. **Among these innovations we highlight the selection criteria of the distributed batches, the storage of the seeds in cold storage and transportation with safe deliveries, which contribute to the sustainability of the production process and reduce the risk of contamination with transgenic material.**

With the support of Embrapa, we are promoting the dissemination of the project through demonstrations on rural properties and Field Day events. These actions help to demonstrate the quality of our seed portfolio combined with the products of the Plant Nutrition line which, when in synergy, have provided increased productivity in the crop.

## EVOLUTION OF THE PROJECT SEEDS – SALES AND TARGETS



Currently, we offer a portfolio of 26 varieties of soybean seeds with characteristics that serve producing regions in the Center-North and Southeast of the country and also with cycle options that allow the planting of a second season.



### Continuous evolution

The seed market today has more than two thousand soy varieties, about 30 of which are non-transgenic and with a growing market demand. Thus, in the last five years, the seeds project has shown a steady growth, with an increase not only in the portfolio of varieties, but also in the number of customers and planted area each harvest.

In the 2022-2023 cycle, we reached a total of 250 customers and 95,000 hectares planted. **The focus is to expand the production of non-transgenic soy to the regions close to our operation, reducing not only freight costs but also our greenhouse gas emissions from this transportation.**

In 2022, two states stood out in this evolution: Goiás, which grew 104% compared to 2021, and Minas Gerais, which registered a 56% increase in the volume sold, which reinforces the increase in planted areas closer to the factory, as well as outside the Amazon biome.



# Consistent portfolio

## SPC - Soy Protein Concentrate

Main product in our portfolio, the SPC is a protein feed made from non-transgenic and transgenic soy, that can be used in the diets of poultry, pigs, cattle, pets, fish and shrimp. **With high nutritional benefits and being better digested, it has lower anti-nutritional factors and higher protein content.**

Recognized as the best vegetable protein to replace fishmeal in aquaculture diets, its biggest markets are Europe, with Norway standing out, which uses it as a protein source for the nutrition of salmon; Chile and Central America, which also use SPC for salmon feeding; and Asia, especially in shrimp farming.



## ALL OF CJ SELECTA'S NON-TRANSGENIC

PRODUCTS ARE CERTIFIED BY THE PROTERRA FOUNDATION. IN ORDER FOR THIS CERTIFICATION BE AWARDED, WE REGULARLY AUDIT OUR SOY SUPPLIERS TO ENSURE THAT FARMERS ARE USING PRACTICES IN LINE WITH THE PROGRAM'S REQUIREMENTS

GRI 13.23.3

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## Soy Oil

**Degummed:** renewable source for the production of biofuels. Also used in the chemical industry, in human and animal food. **It is GMP+ B2 and B3 certified.**

**Refined:** It has high quality standards, the result of innovative processes at CJ Selecta's refinery. Used by the human food industry, the product can also be manufactured with non-transgenic soy and is **Kosher, FSSC 22000 and Halal certified.**



## Soy Lecithin

Used as an ingredient by the food industry in Brazil and in Europe, **it is Kosher, Halal, and FSSC 22000**, certified, which is the most important for food grade products.

## Soy Molasses

With unique characteristics, molasses has different applications, such as energy source in cattle nutrition. It is also applicable **in the chemical, steel, and fertilizer industries and for the manufacture of ethanol by soy fermentation process.**

## Soy Hulls

Mainly used as a source of essential fibers for cattle nutrition. It is **GMP+ B2 and Halal certified.** GMO and non-GMO product available, the latter with ProTerra certification.



**CLICK HERE**

**TO LEARN MORE ABOUT OUR PRODUCTS**







# WATER AND EFFLUENT MANAGEMENT

GRI 303-1, 303-2, 303-3, 303-4, 3-3

As a company committed to sustainability and preservation of the environment, we adopt responsible practices regarding the use of water in all our activities. **All effluent generated in the factory, including water from toilets and the cafeteria, is treated in our Effluent Treatment Plant (ETE), without discarding it in the river network.** The process is composed of flotation, chemical treatment, anaerobic treatment, aerobic treatment and decantation.

The treated water is then reused in our processes, replenishing the levels in the ash removal system, as well as in the gas washing system in the boilers, in the cooling towers of the SPC and in watering the lawns in the dry season.

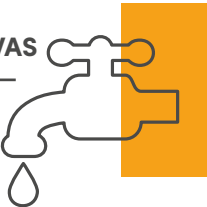
In addition, **we also have a Gas Washing Water Treatment Station (ETALG) to avoid the emission of particulate materials,** and a recirculating system (effluent + ash), composed of filters that remove solids and keep the liquid phase in closed circuit.

CJ Selecta draws water from 12 artesian wells located in the Araguari unit and uses it in its production processes, following the applicable rules and regulations. The main use of the collected water is in the process of generating steam and cooling equipment, and in cleaning the sectors.

IN 2022, THE TOTAL WATER (GROUNDWATER) ABSTRACTION WAS

**1,127.14 megaliters,**

A DECREASE OF 187.67 MEGALITERS  
COMPARED TO LAST YEAR



We have a water treatment system to ensure its quality and avoid negative impacts on the environment, which allows the reuse of 100% of water resources.

CJ Selecta also sets performance targets related to efficient water use and water pollution prevention, which are monitored and reviewed periodically. The water consumption purposes and targets refer only to the company's internal processes, there is no direct relationship with public policies and the company is not located in a water stress area.

In addition, we work to raise employee awareness about the use of this resource by adopting measures to reduce consumption in processes, such as the use of more efficient equipment and technologies. The management of water resources is a constant concern in the production chain. In the ESG in the Field project, questions are asked to producers about this topic, to ensure that this resource is maintained and used in a way that does not compromise its scarcity.

**Note:** The information contained in this document was taken from reports provided by a company specialized in hydrographic monitoring. Based on this information, the organization carried out a consumption closure process, seeking to analyze and manage the impacts related to water use in its operations.

ALL

# EFFLUENT

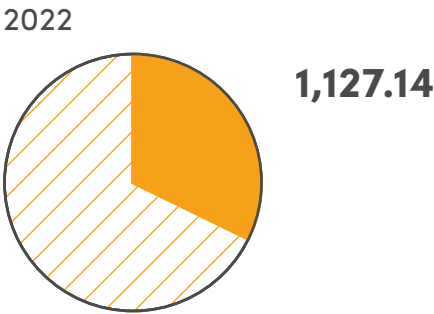
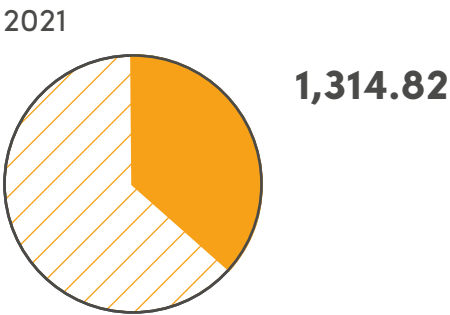
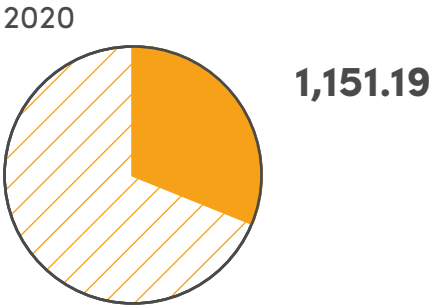
GENERATED IN THE FACTORY  
IS TREATED IN OUR EFFLUENT  
TREATMENT PLANT (ETE)



## WATER CONSUMPTION\*

### VOLUME OF WATER ABSTRACTED FROM GROUNDWATER SOURCES (IN MEGALITERS)

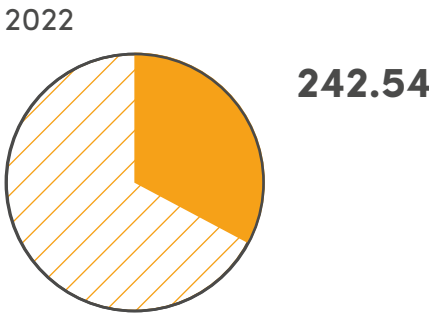
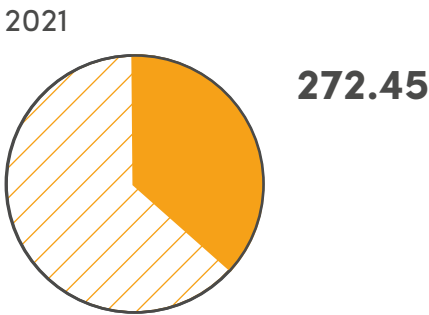
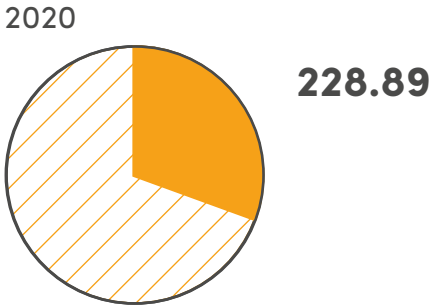
GRI 303-5



\* Water consumption showed a significant reduction due to employee awareness actions and process improvements.

## TREATED VOLUME OF EFFLUENT\*

### (IN MEGALITERS)



\*At the ETE, the effluent undergoes a physical-chemical and then biological treatment stage.

# SOLID WASTE MANAGEMENT

## GRI 306-1, 306-2, 306-3, 306-4 e 306-5, 3-3

CJ Selecta is committed to the proper disposal of the waste generated by its operations. **The Araguari unit has a Waste Center, where part of the generated materials, such as plastics, wood, metals, paper, rubber, light bulbs, batteries, and glass, are treated.** Other residues such as boiler ashes, lubricating oil and domestic waste are sent to specialized companies for their correct destination.

At the Araguari unit there is an energy co-generation system powered by burning biomass wood chips. In 2022, the use of a new source, sugarcane bagasse, was introduced in conjunction with the use of wood chips.

The separation and destination of this waste follows the guidelines of our Solid Waste Management Plan (PGRS), which determines the classification according to the degree of risk and the safe separation at our plant. The largest amount of waste is related to the burning of biomass. **The generated ash is stored in a covered place inside the company and directed to the production of organomineral fertilizers by the composting method.** The final destination of residues, recycling, composting, and co-processing is carried out by licensed and homologated partner companies.

In 2022, 32,453.1 tons of waste considered non-hazardous and 9.95 tons of hazardous waste were generated in our operations, which means an increase of 12.53% in the first and a reduction of 36% in the second. With the help of the Recycle More Project, launched in 2022, aiming at to correctly segregate, store and dispose it, there was a 54.9% increase in the amount of solid waste sent for recycling.

## WASTE GENERATED GRI 306-3\*

Waste Composition	Waste Generated	Waste diverted from disposal	Waste directed to disposal
Non-Hazardous	32,453.37	32,259.35	194.02
hazardous	9.95	5.86	4.09
<b>Total waste</b>	<b>32,463.32</b>	<b>32,265.21</b>	<b>198.11</b>

\*In terms of waste sent for final disposal, those sent for Sorting and Transshipment were considered, since outsourced companies are responsible for the final destination of the material.

## WASTE DIVERTED FROM DISPOSAL GRI 306-4

	Within the Organization	Outside the Organization	Total
<b>HAZARDOUS WASTE</b>			
Refining (oil)	0	5.86	5.86
<b>NON-HAZARDOUS WASTE</b>			
Compost (clader ash)*	0	32,259.35	32,259.35
<b>Total</b>	<b>0</b>	<b>32,265.21</b>	<b>32,265.21</b>

\* Waste not sent to its final destination goes through processes such as composting (in the case of boiler ashes) or refining (in the case of used lubricating oil).

## WASTE DIRECTED TO DISPOSAL GRI 306-5

	Within the Organization	Outside the Organization	Total
<b>HAZARDOUS WASTE</b>			
Sorting and transfer	0	4.09	4.09
<b>NON-HAZARDOUS WASTE</b>			
Recycling, sorting and transshipment (wood, metals, plastic, paper and cardboard)	0	194.02	194.02
<b>Total</b>	<b>0</b>	<b>198.11</b>	<b>198.11</b>



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EVEN MORE  
EFFICIENT ENERGY



The destination of the ash resulting from the burning of the boilers in our plant is an issue for which we have been studying solutions over the last year. The burning of biomass in the boilers generates a percentage of ash that is removed by wet routes and has an energy value to be used.

In order to recover this material, in 2022 we started a project to compact this ash, removing part of the moisture and sending the material back to the boilers for burning. Through this initiative, we were able to reduce the amount of material sent for disposal, in addition to enhancing its use, generating savings and more agility in production processes.

Ash recovery is being a crucial process for industrial waste management and boiler energy efficiency. We are using technologies that allow the recovery of materials with energy potential and contributing to waste reduction, cost reduction and also to the improvement of processes

ENERGY  
MANAGEMENT

GRI 302-1, 3-3

The responsible use of natural resources is a theme that is strongly embedded in our business strategy and in the way we work with all our stakeholders.

Our Araguari manufacturing unit has an energy cogeneration system, which is fueled by the burning of biomass to generate steam in the boilers. In this way, all the energy consumed at the Araguari unit is produced in-house.

CJ Selecta is a company which participates in the Free Energy Market, which is a trading environment in which companies trade electricity among themselves in a more competitive and liberal way, promoting the incentive to produce clean energy. Through this initiative, CJ Selecta buys electricity when necessary, and sells it when possible.

In order to prevent or mitigate potential negative impacts, CJ Selecta is implementing measures such as reducing the consumption of biomass (wood chips) by 7% by the year 2023. In addition, we are evaluating alternatives for the use of renewable energy sources through the company's New Business sector.



Likewise, we have a commitment to manage actual and potential impacts, by applying policies and commitments to involve stakeholders throughout the production chain. An example of this is the inventory of greenhouse gas emissions (GHG) and the verification of compliance with policies and commitments through sustainability indicators.

CJ SELECTA



IS COMMITTED TO THE DEVELOPMENT OF A SUSTAINABLE SOY SUPPLY CHAIN BY 2025, INCLUDING DEFORESTATION-FREE SOY AND THE CONVERSION AND REDUCTION OF GHG EMISSIONS THROUGHOUT THE CHAIN BASED ON GOOD AGRICULTURAL PRACTICES



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# POWER CONSUMPTION REDUCTION

Between 2019 and 2022, electricity consumption fluctuated due to production demand. However, the quantity in kilograms of crushed soy per consumption of electric energy remained stable.

For 2023, we have established a goal of a 7% reduction in the consumption of biomass for steam generation in boilers compared to the previous year. The denominators used for energy consumption are Kwh of energy consumed per ton of soy crushed. For steam consumption in the boilers, the denominators are ton of chips consumed per ton of soybean crushed plus ton of bagasse consumed per ton of soybean crushed.

## GRI 302-1

Fuels from non-renewable sources (GJ)	2022
Liquefied petroleum gas	15,107.23
Diesel oil	10,519.74
Automotive Gasoline	4,553.33
Electric Power (SIN)	12,193.20
Fuels from renewable sources (GJ)	
Commercial Firewood	3,593,839.50
Sugarcane bagasse	217,988.67
Ethano	1,864.35

\* The GHG Protocol methodology and calculation tools developed by the consultancy responsible for the Inventory were used. The values are verified and registered through the daily reading of the parameters and registered by the PCM sector to compile the information.

## GRI 302-3

Power intensity (KWh/ton) *	2022
Power consumed inside the company (KWh)	73,464,998.00
Soy crushed (tons)	730,486.21
Power intensity (KWh/tons)	100.57

\* The scope refers to the electrical energy and biomass consumed within the organization. The value was calculated by adding the daily, monthly and yearly consolidated readings (sum of consumption from January to December 2022). The denominators are Kwh of electric energy consumed/total crushed soy; total chips consumed/total crushed soy and total bagasse/total crushed soy.

## REDUCTION IN POWER CONSUMPTION (BY SOURCE) - IN GJ

### GRI 302-4



2020: 710,823,522 Kg crushed soy - needed 71,762,899 Kwh = 258,346 GJ - factor 101 kwh /t crushed soybean  
 2021: 735,225,371 Kg crushed soy - needed 74,260,028 Kwh = 267,336 GJ - factor 101 kwh /t crushed soybean  
 2022: 730,478,483 Kg crushed soy - needed 73,464,998 Kwh = 264,474 GJ - factor 101 kwh /t crushed soybean

The power reduction forecast for 2023 is based on the consumption of chips (biomass) - the target is to reduce by 7%. 2022 consumption: 0.40 tons of chips/tons of soy. 2023 target: 0.37 tons of chips/ton of soy. The mentioned energy reduction comes from direct measurements.

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# GREENHOUSE GAS EMISSION MANAGEMENT

GRI 305-1, 305-2, 305-3, 3-3

With a focus on making our operations increasingly sustainable, we treat climate change with real commitment in the search for new processes and solutions. In this way, CJ Selecta uses renewable energy sources in its boilers, and also produces its own clean energy through turbo generators.

Since 2019, we have been measuring and monitoring greenhouse gas emissions from our operations. For 2022, we considered the guidelines of the Brazilian GHG Protocol Program and IPCC Guidelines for GHG Inventories and the Araguari (State of Minas Gerais) operating unit, the distribution center and the São Paulo office, as well as 11 branches across the country\* were contemplated.

Our main Scope 1 emissions are related to own vehicles, fuel consumption in fixed or mobile combustion equipment and fugitive gas emissions. Scope 2 emissions from energy procurement and consumption within the company boundaries occur physically at the location where the electricity is generated.

In relation to Scope 03, the company seeks the process of continuous improvement in its processes control. In this inventory, the categories of transportation and distribution (upstream), business travel, employee commuting (home-work) and use of goods and services sold were considered.

It is important to note that there was no change in the calculation methodology used compared to the previous year.

## GHG EMISSIONS MANAGEMENT - CJ SELECTA (BASE YEAR 2022)\*

2022					
SCOPE 1	CO <sub>2</sub> (t)	CH <sub>4</sub> (t)	N <sub>2</sub> O (t)	HFC <sub>s</sub> (t)	Total Emission (tCO <sub>2</sub> e)
Stationary Combustion	872,661	114,369	15,249	-	8,115.978
Mobile Combustion	1,004.287	0.255	0.066	-	1,028.917
Fugitive Emissions	0.319	-	-	0.022	42,636
Effluent Treatment	-	369,046	-	-	9,109.408
Scope Total 01	1,877.267	483,670	15,315	0.022	18,296.939
SCOPE 02	CO <sub>2</sub> (t)	CH <sub>4</sub> (t)	N <sub>2</sub> O (t)	HFC <sub>s</sub> (t)	Total Emission (tCO <sub>2</sub> e)
Grid Electricity Consumption	125.34	-	-	-	125.34
SCOPE 03	CO <sub>2</sub> (t)	CH <sub>4</sub> (t)	N <sub>2</sub> O (t)	HFC <sub>s</sub> (t)	Total Emission (tCO <sub>2</sub> e)
Upstream Transportation	29,670.850	1,500	1,359	-	30,072.985
Business Travel	37,762	0.001	0.001	-	38,055
Employee Transportation	168,781	0.015	0.007	-	171,056
Use of Sold Fertilizer	-	-	2,396	-	634,940
Scope Total 03	29,877.393	1,516	3,763	0.000	30,917.036
Total Emission (tCO <sub>2</sub> e)	31,880.000	485.186	19.078	0.022	50,563.195
Renewable Biomass Emission (tCO <sub>2</sub> biogenic) - Scope 1	430,969.132	-	-	-	430,969.132
Renewable Biomass Emission (tCO <sub>2</sub> biogenic) - Scope 3	1,912.121	-	-	-	1,912.121

\* The inventory is delimited in the operational control approach, in which CJ Selecta is responsible for the emission sources of all the operations it controls. The source of the emission factors and Global Warming Potential (GWP) indices used as a reference for the GWP source for the 2022 base year was the AR5 report.



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### EMISSIONS BY GAS TYPE

Our study also assesses the types of greenhouse gases emitted by the company. In 2022, CO<sub>2</sub> (carbon dioxide), CH<sub>4</sub> (methane), N<sub>2</sub>O (nitrous oxide) and HFCs (hydrofluorocarbon gases) were identified. These gases were identified and all were converted to CO<sub>2</sub>e (carbon dioxide equivalent), based on their global warming potentials.

Gas	tGEE	tCO <sub>2</sub> e	Representativeness
CO <sub>2</sub>	31,880.000	31,880.000	64.61%
CH <sub>4</sub>	441,476	12,361.328	25.05%
N <sub>2</sub> O	19,078	5,055.670	10.25%
HFCs	0.022	42.317	0.09%

In addition, we also account for HCFC-22 (R-22). This gas is not included in the inventory because it is a substance that is not included in the Kyoto Protocol, but in the Montreal Protocol, which aims to promote the end of the use of ODS (Ozone Depleting Substances).

Gas HCFC-22 (Kg)	CO <sub>2</sub> e (t) Emissions
30	52.8

Biogenic CO<sub>2</sub> is carbon dioxide emitted through the burning of biofuels, such as biodiesel blended into commercial diesel, or ethanol in gasoline. For CJ Selecta, biogenic CO<sub>2</sub> was identified in the categories: stationary combustion, mobile combustion, industrial processes, transportation and distribution (upstream), and home-to-work commuting.

Emission Source	tCO <sub>2</sub> biogenic	Representativeness
Fire pump	0.147	0.00003%
Boilers	423,360.371	97.80%
Furnace	371,350	0.09%
Light vehicles	185,363	0.04%
Loaders	71,850	0.02%
Fermentation (ethanol production)	6,980.050	1.61%
Transportation and distribution (upstream)	1,894.607	0.44%
Home-to-work Commuting	17,514	0.004%
Total	432,881.252	

Emissions of CO <sub>2</sub> biogenic		
Escopo 01	Escopo 02	Escopo 03
430,969.132	--	1,912.121

### EMISSIONS INTENSITY PER PRODUCT (kg CO<sub>2</sub>e/kg of product) GRI 305-4

	Emission intensity index		
	2020	2021	2022
Emissions Per Product (Scopes 01 and 02)	0.016	0.017	0.023
Emissions Per Product (Scopes 01, 02 and 03)	0.059	0.063	0.061

For the years 2019 and 2020, the source of the emission factors and global warming potential (GWP) index used or a reference to the GWP source was the IPCC AR4 report, while from the base year 2021 onwards the AR5 report was used.



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TO LEARN MORE ABOUT THE SBTi



## NEW COMMITMENT TO REDUCE EMISSIONS



Regarding GHG emissions, in 2023 CJ Selecta will define and submit its reduction targets for this indicator to Science Based Targets (SBTi), a collaboration between the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). Since 2015, more than 1,000 companies have joined the initiative to set a science-based climate target.

In 2021, SBTi developed and launched the world's first net zero standard, providing the framework and tools for companies to set science-based targets and limit global temperature increase to 1.5 °C.

In order to become a signatory to SBTi, a company must sign a letter of commitment to set science-based greenhouse gas emissions reduction targets. After completing the submission form, the data is sent for validation of the outlined targets, which will be verified by technical reviewers who will provide detailed feedback to the applicant. After validation, the targets are made public and the applicant has a few months to make them public, otherwise they will need to be evaluated before release. The process takes place over a year.



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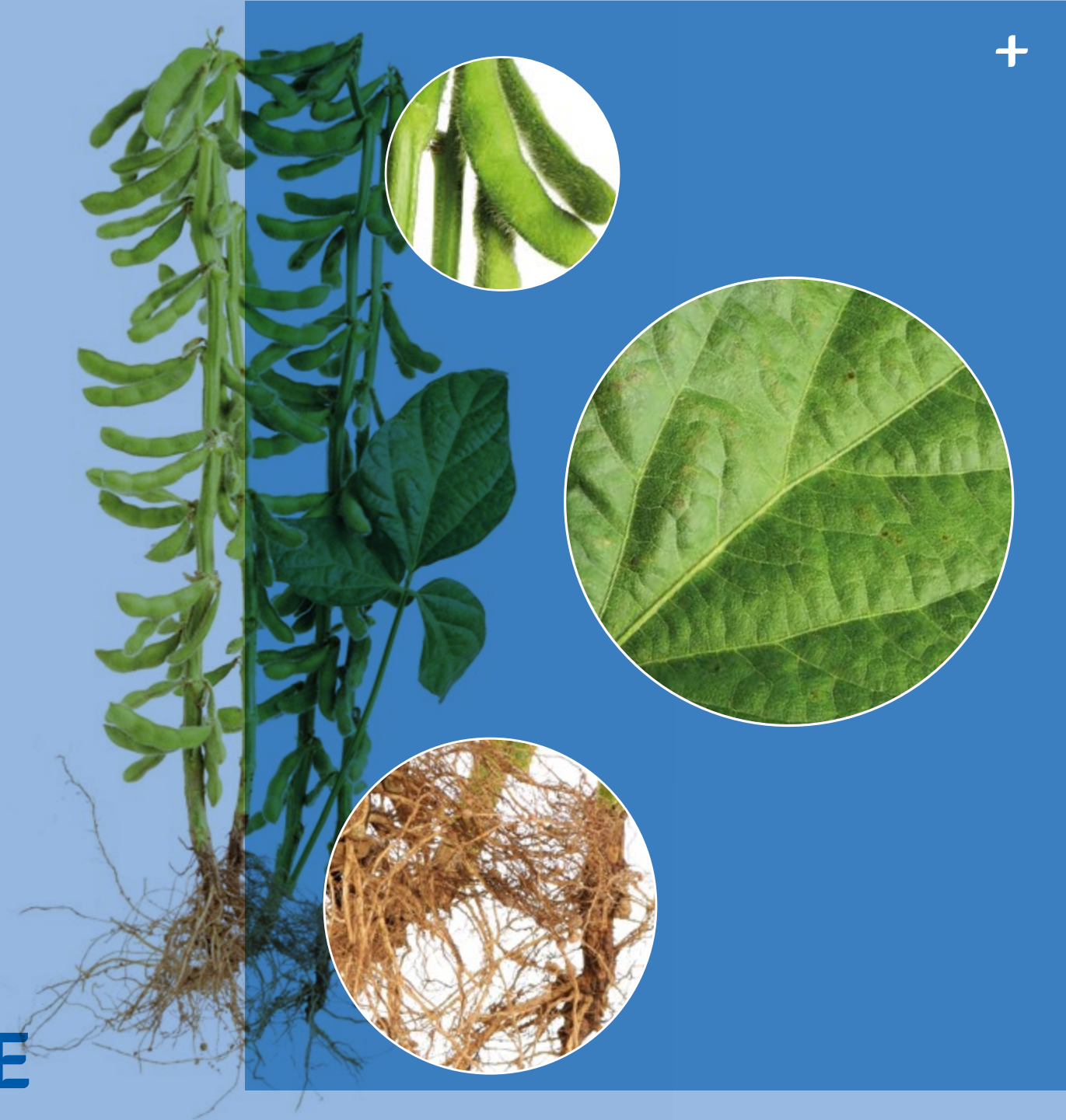
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## MORE SUSTAINABLE



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## GRI 2-25

We believe that sustainable growth is the only way to carry out our business. That way, **we work with the highest standards of quality and traceability**, we also develop initiatives that can mitigate possible negative impacts, at the same time that potentiate positive impacts related to our activities. That also allows us to support, strengthen and encourage initiatives that are increasingly sustainable throughout our relationship chain, such as producers, suppliers and customers.

Following the restructuring of the ESG department in 2021, the company created an ESG committee to address the challenges related to environmental, social, and governance issues of the company. The committee is composed of representatives from various areas and meets on a quarterly basis. This initiative is an important step in ensuring that we meet our targets and that the projects are implemented in a systemic way throughout the company.



# 100%

**COMPLIANCE WITH THE AMAZON SOY MORATORIUM**



Among the implemented projects, we highlight the Sustainability Monitor, the achievement of 90% compliance in the SEDEX audit and the RTRS certification. In addition, the creation of this structure has also generated multipliers, increasing the scope of the discussions about the theme throughout the company.

Our Sustainability Policy completed its first year, and since its inception, we have come a long way in meeting the goals set out in 2021 of developing a sustainable soy supply chain by 2025, and converting and reducing greenhouse gas (GHG) emissions throughout the chain.

Highlight for maintaining 100% compliance with the Amazon Soy Moratorium, a commitment that ensures that soy produced in the Amazon biome and sold by its signatories is free of deforestation after July 2008.

Still within deforestation, we reached 99.44% of what was established by the Zero Deforestation Agreement, which aims to guarantee that soy originated will not come from converted areas after August 1, 2020 as per the agreement validated on August 1, 2021.

Another challenge of the past year regarding the issue of reducing deforestation was to improve the traceability of indirect suppliers. **In 2022, we launched an engagement program to encourage these partners to use traceability. This program aims to make the production process traceable, auditable and visible at any time, following the expectations of our customers.**

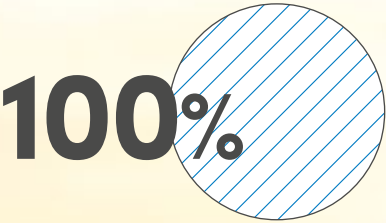
# SUSTAINABILITY INDICATORS

## IN 2022 GRI 13.23.1, 13.23.2, 13.23.3, 13.23.4

Through sustainability indicators, it is possible to monitor the fulfillment of commitments and compliance with our Policy, besides identifying critical points in the soy purchasing processes and establishing targets and strategies.

### Soy Moratorium in the Amazon

Initiative that aims at to ensure that soy, produced in the Amazon biome and sold by its signatories, is free from deforestation that occurred after July 22, 2008.



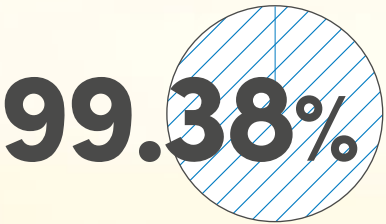
of suppliers compliant with the Soy Moratorium

51

NO. SUPPLIERS IN COMPLIANCE WITH THE SOY MORATORIUM

### Sustainability Policy

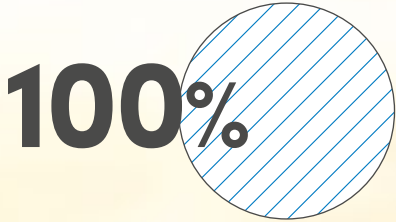
Considers the percentage of soy volume in compliance with all the commitments of CJ Selecta's Sustainability Policy.



% volume of soy purchased according to Sustainability Policy requirements

### Legal compliance

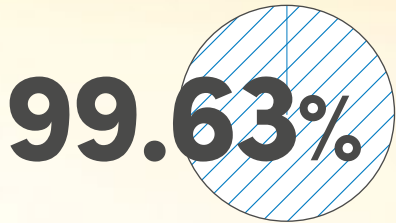
No purchase of soy from producers included in the Ibama and Slave Labor lists.



of suppliers in compliance with legislation

### Zero Deforestation Agreement for the Cerrado Biome

Commitment to guarantee that soy originated in the Cerrado will not come from areas converted after August 1, 2020. Validation of the agreement: August 1, 2021.



% of suppliers in compliance with the Zero Deforestation Agreement

1,086

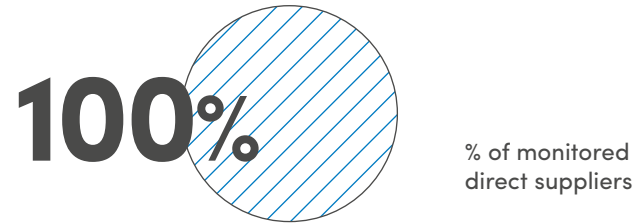
NO. OF SUPPLIERS IN COMPLIANCE WITH THE ZERO DEFORESTATION AGREEMENT

**Note:** The calculation of the indicator is carried out on suppliers eligible for the Zero Deforestation Agreement and not on the total number of suppliers.

## Traceability of direct suppliers

GRI 308-1, 414-1, 13.23.1, 13.23.2

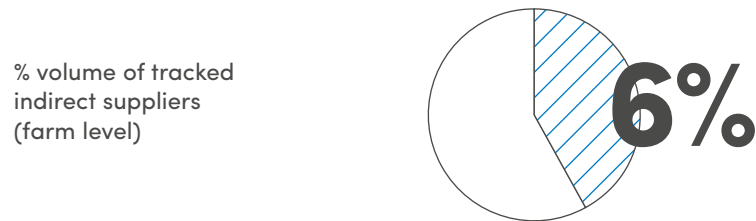
Traceability of direct suppliers – purchases from suppliers that have CAR



## Traceability of indirect suppliers

GRI 308-1, 414-1, 13.23.1, 13.23.2

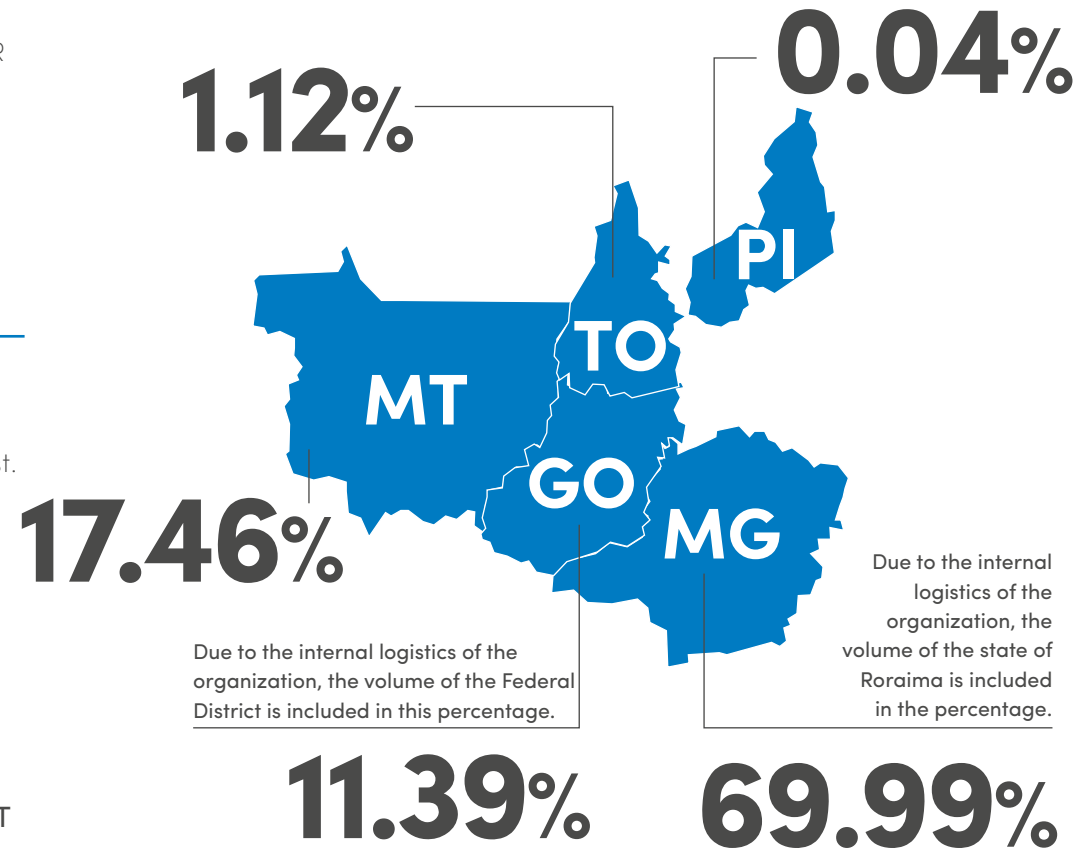
42% of the total indirect volume supplied to CJ Selecta in the 2022 harvest.



3 Nº OF INDIRECT SUPPLIERS TRACKING (FARM LEVEL)

49 TOTAL Nº OF INDIRECT SUPPLIERS

## Percentage of soy received by state



## DCF (Deforestation and Conversion Free)

GRI 13.23.1, 13.23.2

This indicator was demonstrated based on the guide “Soy without Deforestation between the Lines: a guide to Transparency”, prepared by the Institute of Forest Management and Certification (Imaflora) and The Nature Conservancy (TNC). The guide is a proposed roadmap for producing progress reports on soy free of deforestation and conversion of native vegetation and with respect for human rights for our priority biomes in the Amazon and Cerrado.

The volume of CJ Selecta’s DCF origination that has been duly verified by certification programs and audits corresponds to 84.35%. The proposed indicators have been calculated with the aim of measuring concrete progress for areas from which a trader originates soy (own and suppliers), in terms of elimination of deforestation and conversion of native vegetation and respect for human rights.

[click here](#) to find out more about the launch of the guide.

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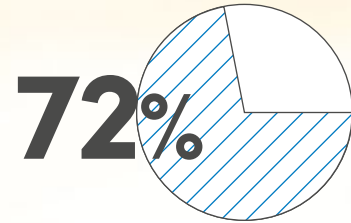
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# General risk analysis by volume percentage

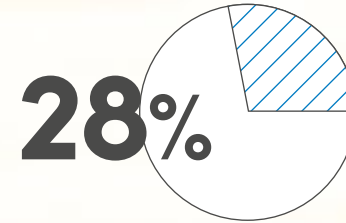
GRI 13.23.1, 13.23.2, 13.23.3

For the purpose of this verification, CJ Selecta used the risk matrix provided by MRV ProTerra, considering the cities of operation, the total of direct + intermediate, arriving at a result regarding the risk shown below (analysis carried out between August 2021 and July 2022).



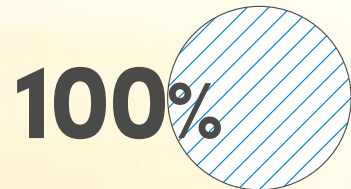
VOLUME OF DIRECT SUPPLIERS

100% of the volume of direct suppliers has very low risk.

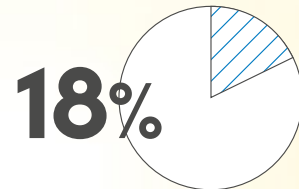


VOLUME OF INDIRECT SUPPLIERS

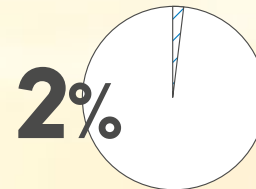
Of the 28% corresponding to the volume of intermediate suppliers:



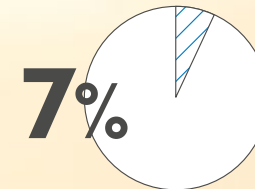
VERY LOW RISK



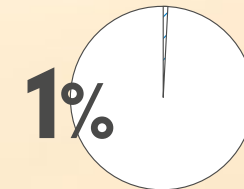
VERY LOW RISK



LOW RISK



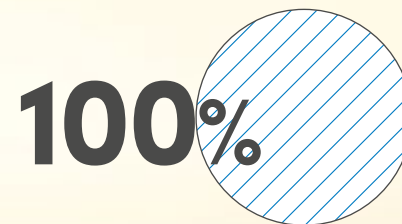
MEDIUM RISK



HIGH RISK

## Human Rights

It demonstrates the percentage of compliance with human rights and those considered in the ProTerra and RTRS standards, verified in the ESG in the Field project in the farms visited in 2022. Topics such as the absence of child labor, similar to slave labor, disciplinary and coercive methods, harassment and discrimination are taken into account, as well as compliance with labor legislation, safe and healthy premises.



Human rights





# **PREMIERE AT ECOVADIS**

Another piece of good news for sustainability was the bronze medal received by CJ Selecta in EcoVadis, an internationally recognized platform that allows companies to assess their social, environmental, and ethical performance. EcoVadis is used by more than 100,000 companies and its methodology is aligned with global standards. The ratings provide international benchmarks and feedback to guide possible improvements.

There are three EcoVadis scores: 45 or more score demonstrates high sustainability standards and indicates a new evaluation in three years; between 44 and 25, suppliers should work on gaps and be re-evaluated in one year, and less than 24 points to significant gaps.

CJ Selecta received a score of 48, a result above the average of the participating companies and one that deserves to be shared with our business partners. This medal is an important step and a proof of the company's continuous effort to improve its commitment to sustainability in its production chain.

# **INNOVATIVE AND SUSTAINABLE PARTNERSHIPS**

Two of the most important innovation and sustainability projects of the year in the company were the result of partnerships with our customers. The first of these was SoyTrace, a tool that makes it possible for the producer to follow the soy regions that make up each batch, and their ESG indicators.

The idea behind this project, which is an application that can be used both on the computer and on the cell phone, started as an initiative of SPC customers in Norway. They approached CJ Selecta to develop a solution that would be in line with the origination and sustainability protocols followed by these partners.

Green Refinery came from a partnership between CJ Selecta and Unilever. The program guarantees the supply of sustainable soy oil, produced with raw material free from deforestation, for the manufacture of Hellmann's and Knorr brand products. The Green Refinery has protocols aligned with Unilever's People and Nature Policy, which to achieve its goals will incorporate our indirect soy suppliers into the program.

In 2023, our goal is to continue developing projects in partnerships that help our customers achieve their sustainability goals, while achieving our own.





### FRUITS OF THE CIRCULAR ECONOMY IN ARAGUARI

We continue our partnership with the Association of Recyclable Material Collectors of Araguari (Ascamara), the city hall and the rural producers in the region to promote reverse logistics with the recycling of fertilizer packaging produced by the company.

After collecting and processing the materials, Ascamara sells these recyclables to MG Recicla, located in the city of Uberlândia, which results in an important increase of income for the 21 members and their families.

In 2022, 32,590 kg of recyclable material was collected, of which 2,770 kg came from the rural area of the city. With this excellent result, we continue to contribute to the functioning of Ascamara and the livelihood of its members, as well as to the strengthening of the circular economy in our company and in the community.

### GREEN SPACE OPENING

At the end of November 2022, we inaugurated our restoration area with the planting of 2,000 seedlings of native Cerrado species, next to the industrial plant in Araguari. During the event, the area, named Green Space, welcomed employees and local authorities.

The planting and care of the seedlings were carried out by employees of the utilities and environment sector, under the coordination of the ESG department and Industrial department. The project began in 2021, aimed at revitalizing the area and expanding the city's green space.



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# OUR VALUE CHAIN



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## EMPLOYEES\* GRI 2-7, 3-3



**MOST OF OUR PROFESSIONALS ARE IN THE REGION SOUTHEAST (581), FOLLOWED BY THE CENTRAL-WEST REGION (24) AND NORTH REGION (2)**

Our innovative and sustainable performance would not be possible without people who put our growth plan into practice every day with integrity, respect and creativity. We closed 2022 with a team of 607 professionals (108 women and 499 men) working in the Araguari operation, in the Uberlândia and São Paulo offices, and in the branches throughout Brazil.

Also in 2022, the Araguari plant gained a recreation space alongside the cafeteria. The place has a rest and fun area, equipped with a television, refrigerator and sleeping space. And, for 2023, the implementation of GymPass is planned, a new benefit that had been requested by employees.

\* All data were compiled according to the information in the control spreadsheets provided by the company's Human Resources area.



**IN A SURVEY CARRIED OUT BY HR WITH EMPLOYEES, AN ENGAGEMENT OF 88% WAS OBTAINED, WITH A SATISFACTION RATE OF 97% AND WITH 98.7% OF EMPLOYEES PROUD TO WORK AT CJ SELECTA**

## EMPLOYEES BY GENDER AND REGION GRI 2-7

	2020	2021	2022					
By gender			North	Northeast	Midwest	Southeast	South	Total
Permanent employees	569	583	2	0	24	581	0	607
Temporary employees	0	0	0	0	0	0	0	0
TOTAL	569	583	2	0	24	581	0	607
Employees with no workload guarantee	85	102	0	0	0	0	0	0
Full-time employees	567	581	2	0	24	577	0	603
Part-time employees	2	2	0	0	0	4	0	4
TOTAL EMPLOYEES	569	583	2	0	24	581	0	607

## FUNCTIONAL LEVEL EMPLOYEES GRI 2-7

	2020	2021	2022
Employees			
Direction	11	10	9
Management	22	21	19
Specialists	6	5	8
Coordination	34	46	48
Administrative	135	154	180
Operational	361	347	343
TOTAL	569	583	607

## IN-HOUSE EMPLOYEES BY WORK REGIME GRI 2-7

	Men	Women
Permanent employees	499	108
Full-time employees	497	106
Part-time employees	2	2





NEW HIRES GRI 401-1

	2020	2021	2022	
By age group			Quantity	Rate (%)
Under 30 years	24	46	76	63.33
From 30 to 50 years old	53	57	41	34.17
Over 50 years old	5	4	3	2.50
By gender				
Men	62	80	81	67.50
Women	19	27	39	32.50
By region				
Midwest	45	49	8	6.67
Northeast	0	0	0	0.00
North	0	0	1	0.83
Southeast	53	58	111	92.50
South	0	0	0	0.00
TOTAL	82	107	120	100.00

Turnover= (((Admissions + Dismissals) / 2) / Head Count)\*100

EMPLOYEE TURNOVER GRI 401-1

	2020	2021	2022			
By age group			Admissions	Dismissals	Headcount	Taxa de Turnover
Less than 30 years old	34	31	76	34	581	9.47%
From 30 to 50 years	47	56	41	63	581	8.95%
Over 50 years old	8	8	3	10	581	1.12%
By gender						
Men	61	69	81	88	581	14.54%
Women	28	26	39	19	581	4.99%
By region						
Midwest	33	35	8	15	581	1.98%
Northeast	0	0	0	0	0	0%
North	0	0	1	0	581	0.09%
Southeast	56	60	111	92	581	17.47%
South	0	0	0	0	0	0
TOTAL	267	285	120	107		

Turnover Rate= (((Admissions + Dismissals) / 2) / Average head count)\*100 Average headcount does not consider retirees and seasonal workers.

REINFORCEMENT IN VOLUNTEERING WORK

The social pillar was the incentive for the creation of projects developed by the Human Resources team with the participation of employees from the Araguari unit, Uberlândia, and branches. Individual goals were established for each employee related to volunteering work.

We had more than 100 people divided into groups, who carried out volunteer actions in the city. The company encouraged the projects, but all the planning, organization and execution was done by the employees themselves. In total, 11 projects sponsored by the volunteers themselves were put into practice, each with a small financial participation from the company. Among the initiatives are the creation of a library in a local public school, the implementation of a community garden and outings with children from the community in shopping malls and cinemas.



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EMPOWERING TALENT

GRI 404-1, 404-3, 3-3

One of CJ Selecta’s biggest concerns is to ensure that the team is always empowered and engaged. For this reason, we invest in learning and improvement to encourage the continuous development of our employees, in search of current and future talent.

CJ Selecta’s Human Resources department has established a training plan based on four pillars: mandatory legal training, organizational culture, code of conduct and professional development. These trainings are adapted according to the needs of each area.

The recruitment process begins with the identification of the main needs of each professional, with the aim of updating or developing their skills. This is done through the Training Needs Survey (LNT), which is a collaboration between managers and the Human Resources area, based on the Job Competency Matrix.

In 2022, there was an increase in training hours (from 8,957 in 2021 to 12,001 hours of training provided, considering dismissed employees) due to the easing of Covid 19 restrictions. For the same reason, the return of classroom training was possible. The training schedule dedicated to operational training and personal development was made compatible with the schedule of the areas.



AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE GRI 404-1

	Number of employees	Number of hours	Average hours of training
By gender			
Female	108	922	9
Male	499	10,061	20
By functional category			
Administrative	180	1,027	6
Coordination	48	478	10
Management	9	9	1
Specialists	8	66	8
Management	19	127	7
Operational	343	9,729	27
TOTAL	607	10,983	--



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2022 HIGHLIGHTS



**Training of SAP key users:** training offered by the Systems and Solutions team to key points in various sectors, started in 2022 and will continue through 2023. The initiative has been important to train employees and define focal points for projects on the platform. This project involved external consulting and the training of 60 employees, continuing in 2023.

**Accountability 4All Course:** training in which the participating employees learned the basic concepts of Accountability and its impacts on the corporate environment.

**Leaders Towards the Future annual planning Workshop:** took place in September, in the State of Santa Catarina, with the participation of 68 employees, including three employees from CJ Bio America - Chicago, two employees from CJ Europe and one from the headquarters. There were lectures on Global Economy and Agribusiness Sector and Soybean Market Perspectives. In addition, participants had the opportunity to present projects to be implemented in the various areas of the company.

OCCUPATIONAL HEALTH AND SAFETY

GRI 403-1, 403-5, 403-8, 403-9, 3-3

Our employees are essential, and their well-being and health are of great concern for the company. All issues associated with both topics are managed and based on our Integrated Management Policy. We are always seeking to raise the awareness of the teams, as well as developing a series of actions, tools and preventive measures to constantly improve health and safety in the work environment.

In addition, we are investing in new technologies and safer equipment to reduce incidents and eliminate injury. **In order to achieve this goal, we offer awareness campaigns, better structure of procedures, risk management, audits and emergency plans.**

We do not currently have a certified occupational health and safety management system in place. We are structuring the sector and working in the medium term for ISO 45.001 certification, on a date yet to be defined.



100%  
OF EMPLOYEES UNDERWENT  
PERFORMANCE REVIEWS IN 2022



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Training request

To avoid accidents and workplace-related diseases, the training requests are identified based on needs such as meeting the legislation applicable to the company’s field; themes related to safety non-conformity occurrences, work accidents or prevention; technical improvement of the team, including the improvement in Occupational Health and Safety (OHS) tools; updating and understanding of the legislation, among others.

The knowledge recycling activities, on the other hand, are carried out in accordance with the periodicity established in the rules, and the trainings without validity defined by the legislation are carried out annually. **Most of the instructors in these programs are composed of the company’s own Specialized Service in Safety Engineering and Occupational Medicine (SESMT).** However, for specific training, we hire external professionals, as in the case of emergency brigade training.

The effectiveness of training is evaluated through the history of occurrences and non-conformities, such as workplace accidents and non-compliance with procedures. Based on this evaluation, we identify the need for retraining and adjust the training and teaching methodology, when necessary.



WORKPLACE ACCIDENTS \* GRI 403-9

Workplace Accidents – Professionals at Cj Selecta	Number			Index		
	2020	2021	2022	2020	2021	2022
Deaths from workplace-related accident	0	0	0			
Workplace-related accident with severe consequences (except death)	0	0	0			
Workplace-related accident with mandatory communication	5	3	7			
Number of working hours	688,099	705,463	724,402			
Frequency rate of injury with lost time				11.63	5.67	9.66
Severity rate				219.00	0	2.8

Workplace-related accident – outsourced workers	Number			Index		
	2020	2021	2022	2020	2021	2022
Deaths from workplace-related accident	0	0	0			
Workplace-related accident with severe consequences (except death)	0	0	0			
Workplace-related accident with mandatory communication	3	1	4			
Number of working hours	715,589	739,490	759,343			
Frequency rate of injury with lost time				3.96	2.63	5.27
Severity rate				102.00	9.0	6.6

\* In 2022, the main occurrence of an accident at work involved the absence due to a burn that occurred during the cleaning activity of the production line. Health and safety data primarily follow the Regulatory Standards, as well as other established legal standards.



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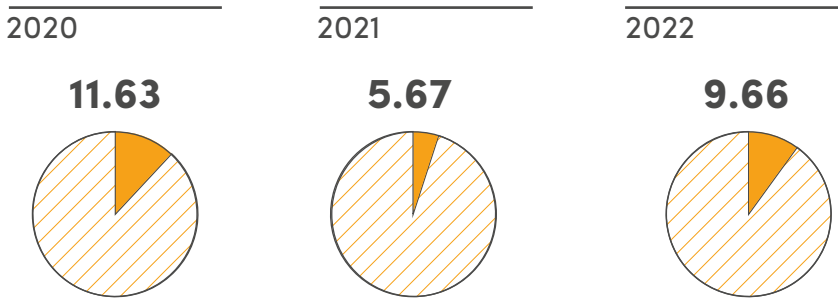
Investments in Safety

During 2022, we invested in several projects to improve operational safety at our plant, such as the acquisition of new protective equipment and machinery and the improvement of the fire and explosion prevention system at the Araguari unit. **Due to its importance – since our processes involve the use of solvents such as hexane, derived from petroleum, and hydrated ethyl alcohol – the project was divided into stages. In 2022 alone, more than BRL 2 million has already been invested.**

Before that, we only had equipment that captured gases, which was not enough to identify a fire. Now, within the process, we have started using heat detectors. If this equipment heats up within the infrared range, an alarm will sound and the machinery will be stopped.

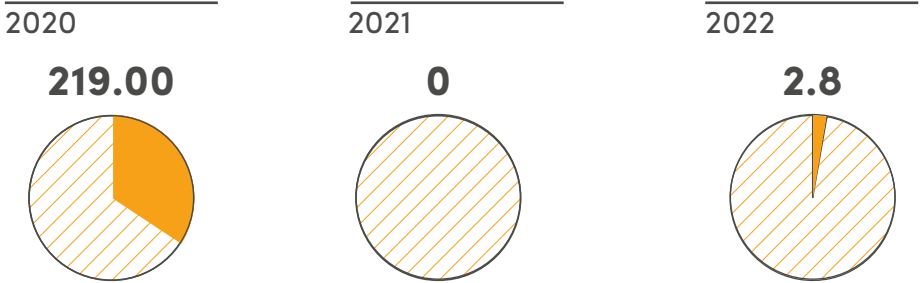
In addition, we work with several tools and activities carried out by the SESMT/CIPA team and company employees, such as safety inspections, records of conditions, acts and near misses through the Communicate tool, daily safety dialogues (DDS), reporting of occurrences and investigation of incidents and accidents and safety inspections carried out monthly by senior management, according to themes defined by the matrix.

ACCIDENTS FREQUENCY RATE\*



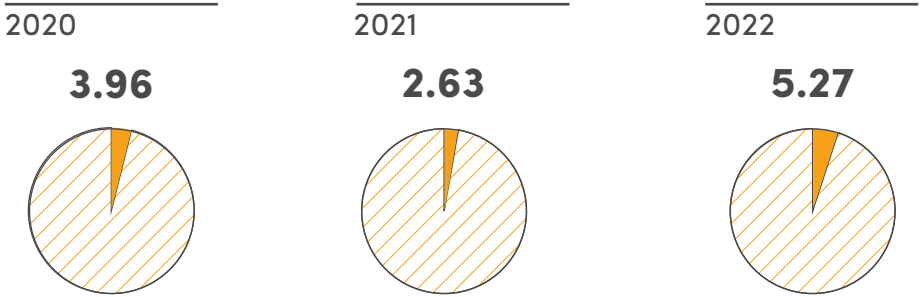
\* Number of accidents (with and without lost time) per million man-hours of exposure to risk – own employees.

ACCIDENTS SEVERITY RATE\*



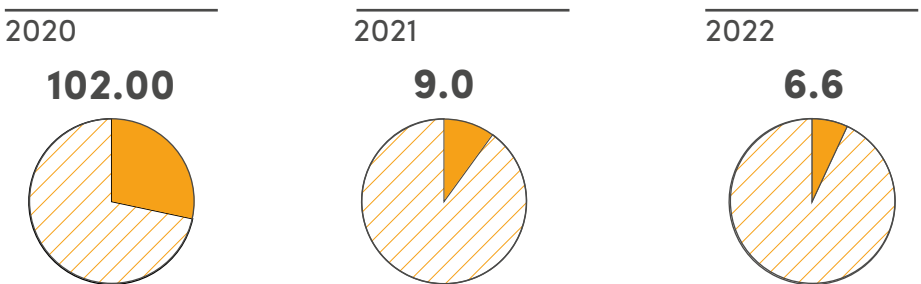
\* Computed time (days lost + days debited) per million man-hours of exposure to risk – own employees.

ACCIDENTS FREQUENCY RATE\* - OUTSOURCED WORKERS



\* In 2022, there was only one workplace-related accident with time off work, due to a burn on the employee's right leg (thigh region).

ACCIDENTS SEVERITY RATE - OUTSOURCED WORKERS



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# COMMUNITIES

GRI 2-23, 413-2, 3-3

Stablishing partnerships with the communities in which we operate is among our commitments to sustainable development. In 2022, we dedicated a great effort to disseminate the social culture within the company. One example was the program launched in partnership with employees, who joined groups to present the social projects they would like to develop with the communities where we operate in, both at our headquarters and at the branches and plant in Araguari.

We also expanded our partnership with APAE (Association of Parents and Friends of the Exceptional) of Araguari won a new project in 2022, when we started a process of inclusion of people with disabilities for the labor market. Eleven people were hired, one supervisor and 10 young people with mild or moderate intellectual disabilities to work on the company's document scanning. The company provides practical training and has hired a monitor to assist them in the development of their work routine. The initiative aims to empower them with new skills and competencies preparing them to take on the responsibility of their first job and make them more independent for their future lives.

The main negative impacts generated for the communities surrounding our operations are related to waste generation, consumption of natural resources and greenhouse gas emissions. For each of them, we work with partnerships and initiatives that seek their reduction and mitigation:



- **Waste:** partnership with ASCAMARA (Associação dos Catadores de Materiais Recicláveis de Araguari) in the reverse logistics process and contributing to family income in the community, in addition to the correct disposal of fertilizer packaging from producers who purchase the company's products.
- **Consumption of natural resources:** we work continuously, through process improvement and awareness-raising actions with employees, to reduce the consumption of water resources within our operational unit.
- **Greenhouse gas emissions:** CJ Selecta proposes, for 2023, to define and commit to greenhouse gas emission reduction targets by submitting this commitment to SBTi.



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PEOPLE  
HIRED



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## CUSTOMERS

We always seek to closely monitor both the needs and the purchasing experience of our customers, with attention and care in each negotiation. CJ Selecta’s sales team carries out a rigorous communication work, receiving any kind of dissatisfaction and passing it on to the concerned areas.

Our team works to solve the problems in up to three working days, applying the necessary corrective measures. In 2022, we had 27 complaints, and for each one of them, an action plan was implemented, focusing on eliminating a new recurrence.

## SUPPLIERS

GRI 3-3

Based on our Policy of Relationship with Suppliers, we set up guidelines for an ethics work, based on the transparency with all the suppliers of the company. The communication process is carried out through two sectors: Procurement, which is in charge for the supply of factory inputs, diverse purchases and for the hiring of services for the company; and the Sourcing sector, which is responsible for the purchase of the raw material.

Our main input suppliers include wood chips, sugar cane bagasse (both for power generation), defoamer, hexane, caustic soda and bleached earth. Of this, 30% are large, 30% medium and 40% small. For soybean suppliers, less than 5% correspond to cooperatives, and the rest are suppliers (farms) through direct negotiations with the company. In 2022, soybean origination was mainly in the states of Minas Gerais, Goiás and Mato Grosso, with participation from Tocantins, Bahia and São Paulo.

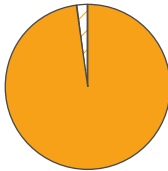
## PROPORTION OF SPENDING WITH LOCAL SUPPLIERS

GRI 204-1

BRAZIL

2022

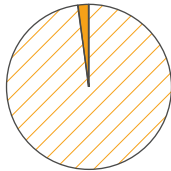
98%



OTHER COUNTRIES

2022

2%



Currently, the company's purchasing policy does not establish a requirement for regionalized purchasing. Our decision making is about lowest price x quality x leadtime, regardless of the place of origin.



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Currently, the Procurement sector does not use environmental criteria to choose suppliers. The ESG management, on the other hand, performs a social and environmental analysis of new and existing contracts between soybean producers and CJ Selecta, through the criteria of the Sustainability Policy, using the geomonitoring platform. **GRI 308-1, 308-2, 414-1, 414-2**

In 2022, 100% of direct suppliers and 6% of indirect suppliers (responsible for 42% of the total volume purchased) of soybeans were assessed on social and environmental impacts, with six direct producers considered unfit and blocked. Among the main risks identified are IBAMA embargo, SEMA/MT embargo, Soy Moratorium, use of Indigenous land, labor analogous to slaves, cut-off dates for ProTerra certification and Zero Deforestation agreement for the Cerrado. **GRI 308-1, 414-1**

In recent years, we have implemented several ways to evaluate and score the suppliers that provide services to CJ Selecta, through evaluations and surveys that aim to ensure the company greater safety and reliability in the processes.

Soy producers are our main suppliers, and to ensure purchasing high quality beans, we have a team specialized in this assessment. These professionals are in charge of maintaining a close relationship with each of the certified farmers and cooperatives, closely monitoring their work.



**70%**  
**OF THE GRAINS COME  
FROM MINAS GERAIS**



One of our efforts within the Origination area has been to have more control and knowledge about the producer, improving sustainability in its processes. CJ Selecta has been encouraging producers, who are used to planting GMO soy, to adapt to the new standards and procedures, such as the RTRS and ProTerra.

We are also committed to buying soybeans as close as possible to our production plant, reducing transportation costs and avoiding soy from regions that cause environmental damage. As a result of this work, grains produced in the State of Minas Gerais already account for 70% of those used in the plant.

In addition, 2022 was a year of continuity for the ESG in the Field program, which this year had the participation of 45 farms located in the states of Minas Gerais, Mato Grosso and Goiás, with a total of 77,000 hectares checked.

In this evaluation, we awarded the 12 farms that best met the criteria of the socio-environmental questionnaires applied on site with a book that, in addition to telling the story of the farm and its owners, also brings the socio-environmental indicators of the property.



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100%

OF SOYBEAN PURCHASES MONITORED



## SUSTAINABILITY TRACKER



To ensure CJ Selecta's accountability regarding social and environmental criteria in soy purchases, we are carrying out an improvement in our satellite tracking.

The Sustainability Tracker comprises the systemic blocking of soy suppliers that are not in compliance with CJ Selecta's sustainability policy. The monitor is a platform in the SAP environment that allows, in a standardized way, the insertion of parameters and information related to the soy producers that supply to CJ Selecta, allowing a transparent and updated consultation. In addition, all soybean purchases will be available for analysis by the ESG department.

The project was developed along with the Systems and Solutions, Administrative, Commercial, Origination and ESG teams. The solution is already implemented and is being used by employees.

The second phase, which is the automation of these analyzes that today are made within the AgroSatélite tool and later inserted into SAP, will be executed throughout 2023.



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## ABOUT THIS MATERIAL





**GRI 2-3, 2-4, 2-5, 2-29, 3-1, 3-2**

This is the fourth year that we have published our sustainability report according to the Global Reporting Initiative (GRI) methodology, in its Standards 2021 version.

This document reports information comprising CJ Selecta’s operations in Brazil for the period from January 1 to December 31, 2022. For the first year, the data and adherence to the reporting protocol were audited by an independent third party (KPMG).

It is also important to note that there were no restatements of information in relation to the document published in the previous year and that the report was approved by the company’s board of directors.

The matters and data presented here correspond to the result of a materiality process reviewed in early 2023 and which updated the main topics both for the agribusiness sector and for our main stakeholders, such as customers, suppliers and employees.



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# MATERIALITY REVIEW

GRI 2-29, 3-1, 3-2

The process was carried out through personalized interviews and online questionnaires, as well as consultations with materials published by five companies in the field (domestic or foreign), customers and entities linked to sustainability processes such as SASB, Sustainability Yearbook by RobecoSAM, MSCI, Sustainalytics, WBA, IFC, WEF, PRI, Sustainability Topics for Sector by GRI, IBGC, CDP and FTSE4GOOD.

Upon definition of the potentially material topics for CJ Selecta’s field of activity, qualitative and quantitative consultations were carried out with stakeholders considering the company’s internal and external impacts. In all surveys, the probability approach of the risks associated with each potentially material topic becoming real and the magnitude of the impact if it were to occur were considered. **For both approaches (probability and magnitude) a scale of 0 to 3 was considered, being 0 (unknown), 1 (low), 2 (medium) and 3 (high).**

Considering the participation of the **207 stakeholders** in the prioritization process, the level of impact of the themes on society and on the company’s value generation, the themes that presented medium and high impact for society and for the business were considered material.

The changes in the list of material topics compared to the previous reporting period are a reflection of the new approach methodology for internal and external impacts, as well as the growth and diversification of the company’s business in Brazil. In addition, some nomenclatures have been updated for greater topic coverage (e.g. supply chain management, water safety and climate change).

## CHECK, IN THE TABLE BELOW, THE TOPICS CONSIDERED MATERIALS FOR CJ SELECTA IN 2022

01 GOVERNANCE, ETHICS AND COMPLIANCE

06 ANTI-CORRUPTION

02 CLIMATE CHANGE

07 TAX RESPONSIBILITY

03 HEALTH AND SAFETY

08 WATER SAFETY

04 BIODIVERSITY

09 HUMAN CAPITAL MANAGEMENT

05 RELATIONSHIP WITH COMMUNITIES

10 SUPPLY CHAIN MANAGEMENT



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## ENGAGEMENT WITH STAKEHOLDERS

In order to ensure that all our stakeholders are aware of our actions and strategies aimed at business sustainability, we have developed specific approaches for each of our stakeholders. This is the way we find to identify needs and demands, anticipate risks, establish and maintain a relationship of trust, and generate a shared responsibility for sustainable development.

- **Producers:** visits and audits are carried out where we present our policies and delve into the issues required for supply.

- **Input suppliers:** the procurement area applies our policies and forwards the requirements for each type of partner.

- **Customers:** the commercial team carries out visits and negotiations, clarifies our policies and meets specific demands for the sale of our products.

- **NGOs and community:** we make commitments and develop partnerships with local entities close to our operations. We also act through membership of trade associations, participation in national and international summits and webinars, development of partnerships and dissemination of projects.

- **Employees:** trainings, dialogues and meetings are held to disseminate our policies and commitments.

- **Shareholders:** through board meetings, we share pertinent business information and the results of our sustainability strategy.



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GRI CONTENT  
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# GRI CONTENT INDEX

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**Statement of use:** Cj Selecta reported in accordance with the GRI Standards for the period from January 1 to December 31, 2022.

**GRI 1 used:** GRI 1: Foundation 2021

**Applicable GRI Sector Standard:** GRI 13: Agriculture, Aquaculture and Fishing sector 2022

GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-1: Organizational details	9, 11	Cj Selecta S.A. Closed corporation, managed by the Board of Directors and the Executive Board, with legal headquarters in the city of Uberlândia (MG), operations in the city of Araguari (MG), office in São Paulo and branches in 13 cities in four Brazilian states.				
	2-2: Entities included in the organization's sustainability reporting	11	The legal entity is Cj Selecta S.A., with a balance of consolidated information for that company only.				
	2-3: Reporting period, frequency and contact point	54, 68	January 1 to December 31, 2022. Annual publication.				
	2-4: Restatements of information	54	There was not.				
	2-5: External assurance	54	This report was evaluated and approved by the company's management in Brazil, as well as third-party verification conducted by KPMG.				
	2-6: Activities, value chain and other business relationships	11	Cj Selecta is present in the market offering products derived from soy, focusing on the production of high added value vegetable proteins. We are recognized as one of the main manufacturers of ingredients for the animal feed industry in Brazil and abroad. Our portfolio also includes products derived from soy for the food, chemical and pharmaceutical industries. There were no changes from the previous reporting period.				
	2-7: Employees	43					



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GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT OMITTED	REASON	EXPLANATION	

**GENERAL DISCLOSURES**

<b>GRI 2: Disclosures Gerais 2021</b>	2-8: Workers who are not employees		522 service workers hired via the supply area. The control and monitoring of the services provided is carried out by the administrative area.				
	2-9: Governance structure and composition	15					
	2-10: Nomination and selection of the highest governance body	15		Requirement b		The conflict of interest prevention policies are being formalized by the company's compliance area in Brazil. Currently, we follow the global guidelines regarding the topic.	
	2-11: Chair of the highest governance body	15					
	2-12: Role of the highest governance body in overseeing the management of impacts	15	In order to exercise decision-making and supervisory functions related to the management of the company's business, the Board of Directors will be responsible for resolving the matters provided for in the applicable laws and regulations or in the Bylaws, matters delegated by the General Meeting of Shareholders, basic business management policies and key business decisions. The Board of Directors may delegate its authority to the CEO or to a committee within the Board of Directors. However, relevant issues that are provided for in the applicable laws and regulations, in the Bylaws or in the Board of Directors' Regulations are excluded from the scope referred to above.				
	2-13: Delegation of responsibility for managing impacts	15					





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GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
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GENERAL DISCLOSURES

GRI 2: General Disclosures 2021	2-14: Role of the highest governance body in sustainability reporting		We follow global guidelines in our operations in Brazil. On sustainability issues, the ESG management presents and validates with the CEO, who is responsible for the department, the actions and projects to be implemented. For approved projects, the necessary procedures, budgets, contracts are followed. Their progress is presented to the ESG Committee.				
	2-15: Conflicts of interest	15, 17		Requirement b	Confidentiality Restriction		
	2-16: Communication of critical concerns	17		Requirement b	Information unavailable	A survey of the total number and nature of the crucial concerns communicated has not yet been carried out.	
	2-17: Collective knowledge of the highest governance body	17	We follow global guidelines in our operations in Brazil. On sustainability issues, the ESG management presents and validates with the CEO, who is responsible for the department, the actions and projects to be implemented. For approved projects, the necessary procedures, budgets, contracts are followed. Their progress is presented to the ESG Committee. And so, address the challenges related to environmental, social and governance issues of the company. The committee is made up of representatives from various areas and meets quarterly. This initiative is an important step towards guaranteeing the fulfillment of our goals and that the projects are implemented in a systematic way throughout the company.				
	2-18: Evaluation of the performance of the highest governance body		Performance evaluations are not carried out, whether internal or independent.				
	2-19: Remuneration policies			Requisitos a, b	Confidentiality Restriction		
	2-20: Process to determine remuneration			Requirement a, b	Confidentiality Restriction		

GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
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**GENERAL DISCLOSURES**

<b>GRI 2: Disclosures Gerais 2021</b>	2-21: Annual total compensation ratio			Requirement a, b, c	Confidentiality Restriction		
	2-22: Statement on sustainable development strategy	4					
	2-23: Policy commitments	17, 18, 49					
	2-24: Embedding policy commitments	15		Requirement a	Information unavailable/incomplete		
	2-25: Processes to remediate negative impacts	18, 36		Requirement c, d, e	Information unavailable/incomplete		
	2-26: Mechanisms for seeking advice and raising concerns		Through the employee integration process, the availability of the Code of Conduct for suppliers and service providers, the evaluation of service for hiring them by the supply and legal sector, allow everyone to become aware of the commitments. The Ombudsman channel, through ballot boxes made available by the organization, allows free access to everyone to register their concerns, doubts and complaints.				
	2-27: Compliance with laws and regulations		There are no records of these situations of non-compliance with laws and regulations in the period in question.				
	2-28: Membership associations	13					
	2-29: Approach to stakeholder engagement	54, 55					
	2-30: Collective bargaining agreements		100% of Araguari's employees are covered by Collective Bargaining Agreements (ACT) signed through employee votes with the respective category unions, through meetings and assemblies. The Uberlândia branch had its ACT approved in an assembly in 2022, but the process was only completed in 2023 due to a new collection of union signatures. In 2022, there were no permanent employees of CJ Selecta in the SP office.				

GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
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## MATERIAL TOPICS

<b>GRI 3: Material topics 2021</b>	3-1: Process to determine material topics	54, 55					
	3-2: Collective bargaining agreements	54, 55					
<b>Economic Performance</b>							
<b>GRI 3: Material topics 2021</b>	3-3: Process to determine material topics	20					
<b>GRI 201: Economic Performance 2016</b>	201-1: Direct economic value generated and distributed	20					
<b>Procurement practices</b>							
<b>GRI 3: Material topics 2021</b>	3-3: Gestão dos temas materiais	50					
<b>GRI 204: Procurement practi- ces2016</b>	204-1: Proportion of spending on local suppliers	50					
<b>Anti-corruption</b>							
<b>GRI 3: Material topics 2021</b>	3-3: Process to determine material topics	17					
<b>GRI 205: Anti-corrup- tion 2016</b>	205-1: Operations assessed for risks related to corruption	17					



GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
Anti-corruption							
GRI 205: Anti-corruption 2016	205-2: Communication and training about anti-corruption policies and procedures	17		Requirement a, b, c, d, e		The information that is in the process of maturity/construction and will be adapted for the next cycles.	
	205-3: Confirmed incidents of corruption and actions taken	17					
Tax							
GRI 3: Material topics 2021	3-3: Process to determine material topics	--					
GRI 207: Tax 2019	207-1: Approach to tax		The Company does not have a specific tax strategy, but every approach and tax operations are strategically conducted in accordance with each specific legislation, meeting all obligations and official provisions to avoid any type of infraction or penalty for unidentified irregularities.				

GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT OMITTED	REASON	EXPLANATION	

## MATERIAL TOPICS

Tax							
GRI 207: Tax 2019	207-2: Tax governance, control, and risk management		Currently, we do not have a specific tax strategy, but tax operations are strategically conducted in accordance with each specific legislation, meeting all official obligations and provisions to avoid any type of infraction or penalty for unidentified irregularities. Fiscal control is evaluated periodically, through quarterly audits for analysis and validation of the balance sheet, and through mechanisms used to present concerns regarding the organization's business conduct and the organization's integrity in relation to taxes, such as the adoption of an Integrity Program adhering to the Anti-Corruption Law, training, knowledge program and creation of whistleblowing channels.				
			In recent years, we have also been working on improving the processes related to Internal Audit - from the planning stage, through execution, to the communication of results and monitoring. With this, we seek a more rational use of its material and human resources, the simplification of existing processes and the incorporation of good national and international practices, an effort materialized through regulations such as the Technical Reference for the Activity of Governmental Internal Auditing (approved by IN No. of 2018).				
			The auditors' work is presented to the company's senior management and also to other interested parties. This contributes to the promotion of real and positive changes in the audited objects, improving the economy, efficiency and effectiveness of the expenses incurred, ensuring transparency, producing effects on reputation, credibility, quality and continuous improvement. It is worth mentioning that our financial statements undergo a third-party audit conducted by KPMG.				

GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
GRI 3: Material topics 2021	3-3: Process to determine material topics	30					
GRI 302: Energy 2016	302-1: Energy consumption within the organization	30, 31					
	302-3: Energy intensity	31					
	302-4: Reduction of energy consumption	31					
Water and effluents							
GRI 3: Material topics 2021	3-3: Process to determine material topics	27		Requirements a, b, d, e, f	Information unavailable/incomplete	Management of the requirements in implementation.	
GRI 303: Water and effluents 2018	303-1: Interactions with water as a shared resource	27					
	303-2: Management of water discharge-related impacts	27					
	303-3: Water withdrawal	27	100% of the water consumed is underground.				
	303-4: Water discharge	27					
	303-5: Water consumption	28		Requirement c		Considering the procedures adopted by CJ Selecta, the water storage used does not cause a significant impact related to water for the company, nor for the surrounding communities.	



GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
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## MATERIAL TOPICS

<b>Biodiversity</b>							
<b>GRI 3: Material topics 2021</b>	3-3: Process to determine material topics	--					
<b>GRI 304: Biodiversity 2018</b>	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			Requirement a	Not applicable.	CJ Selecta does not operate in areas of environmental protection or high biodiversity value.	
	304-2: Significant impacts of activities, products and services on biodiversity			Requirement a, b	Not applicable.	CJ Selecta does not operate in areas of environmental protection or high biodiversity value	
	304-3: Habitats protected or restored		We have a Permanent Preservation Area (APP) with 2.8156 hectares on the land where the Araguari plant is located - Bioma Cerrado. The area is in a gradual recovery process, already presenting a good evolution of growth of the individuals planted about 3 years ago. We annually hire a specialized consultancy to prepare technical reports obtained through the continuation of the execution of the Technical Project for Flora Recomposition (PTRF) and Situational Technical Report.				
<b>Emissions</b>							
<b>GRI 3: Material topics 2021</b>	3-3: Process to determine material topics	32		Requirement a, b, e, f	Information unavailable/incomplete	Management of the requirements in implementation.	
<b>GRI 305: Emissions 2016</b>	305-1: Direct (Scope 1) GHG emissions	32					
	305-2: Energy indirect (Scope 2) GHG emissions	32					



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MATERIAL TOPICS

Emissions							
GRI 305: Emissions 2016	305-3: Other indirect (Scope 3) GHG emissions	32					
	305-4: GHG emissions intensity	32, 33					
	305-5: Reduction of GHG emissions		In 2022, CJ Selecta did not implement initiatives aimed at reducing its GHG emissions. For 2023, it will define and commit to targets for reducing greenhouse gas emissions by submitting this commitment to the SBTi.	Requirement a, b, c, d, e	Information unavailable/incomplete	Management of the requirements in implementation.	
Waste							
GRI 3: Material topics 2021	3-3: Process to determine material topics	29		Requirement a, b, d, e, f	Information unavailable/incomplete	Management of the requirements in implementation.	
GRI 306: Waste 2018	306-1: Waste generation and significant waste-related impacts	29	Waste with a potential for significant impact, depending on the volume generated annually, comes from the burning of biomass (ash), stored in a covered place within the company and later sent to an external company specialized in the production of organomineral fertilizers using the composting method.				
	306-2: Management of significant waste-related impacts	29	The management of waste generated in our industrial park follows the guidelines of the Solid Waste Management Plan (PGRS). We also have certified partners who are authorized to remove and recycle, compost or co-process this waste.				
	306-3: Waste generated	29					
	306-4: Waste diverted from disposal	29					
	306-5: Waste directed to disposal	29					

GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
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**MATERIAL TOPICS**

<b>Supplier environmental assessment</b>							
<b>GRI 3: Material topics 2021</b>	3-3: Process to determine material topics	49		Requirements a, b, c, d, e, f	Unavailable/incomplete information		
<b>GRI 308: Supplier environmental assessment</b>	308-1: New suppliers that were screened using environmental criteria	38, 51					
	308-2: Negative environmental impacts in the supply chain and actions taken	51		Requirement a, b, c, d, e	Information unavailable/incomplete	Management of the requirements in implementation.	
<b>Employment</b>							
<b>GRI 3: Material topics 2021</b>	3-3: Process to determine material topics	43					
<b>GRI 401: Employment 2016</b>	401-1: New employee hires and employee turnover	44					
<b>Occupational health and safety</b>							
<b>GRI 3: Material topics 2021</b>	3-3: Process to determine material topics	46		Requirement a, b	Information unavailable/incomplete	Management of the requirements in implementation.	
<b>GRI 403: Occupational health and safety 2018</b>	403-1: Occupational health and safety management system	46					
	403-5: Worker training on occupational health and safety	46					
	403-8: Workers covered by an occupational health and safety management system	46					
	403-9: Work-related injuries	46, 47	In 2022, employees allocated in Uberlândia and other offices of CJ Selecta did not make up the work accident indicators. In 2023, the indicator will be unified.				

GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS							
Training and education							
GRI 3: Material topics 2021	3-3: Process to determine material topics	44					
GRI 403: Training and education 2016	404-1: Average hours of training per year per employee	45					
	404-3: Percentage of employees receiving regular performance and career development reviews	45		Requirement a	Unavai- lable/ incomplete information		
Forced or compulsory labor							
GRI 3: Material topics 2021	3-3: Process to determine material topics	--					
GRI 409: Forced or compulsory labor 2016	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor		In 2022, CJ did not carry out a survey and monitoring of risks of forced labor or work analogous to slavery by type of supplier, sector and country.	Requirement a	Unavai- lable/ incomplete information	Regarding the measu- res taken by the orga- nization, we have our sustainability policy, code of conduct and internal/external audits to contribute with our stakehol- ders to the effective abolition of forced or compulsory labor.	
Local communities							
GRI 3: Material topics 2021	3-3: Process to determine material topics	49					
GRI 413: Local communi- ties 2016	413-2: Operations with significant actual and potential negative impacts on local communities	49					





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GRI STANDARD	DISCLOSURE	PAGE	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT OMITTED	REASON	EXPLANATION	

MATERIAL TOPICS

Supplier social assessment							
GRI 3: Material topics 2021	3-3: Process to determine material topics	50					
GRI 414: Supplier social assessment 2016	414-1: New suppliers that were screened using social criteria	38, 51		Requirement a	Unavailable/incomplete information	Currently, the Procurement sector does not use environmental and social criteria for choosing suppliers	
	414-2: Negative social impacts in the supply chain and actions taken	41		Requirement a, b, c, d, e	Information unavailable/incomplete		
Agriculture, Aquaculture and Fishing							
GRI 13: Agriculture, Aquaculture and Fishing sector 2022	13.23.1: Traceability of the supply chain	10, 37, 38, 39					
	13.23.2 Traceability of the supply chain   Level of Traceability	10, 37, 38, 39					
	13.23.3 Traceability of the supply chain   Certified Purchased Volume	10, 13, 37, 39					
	13.23.4 Traceability of the supply chain   Improvement Projects to Certify	10, 37					

# VERIFICATION STATEMENT



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## Independent auditors' limited assurance report on non-financial information included in the Sustainability Report

(A free translation of the original report in Portuguese, containing the Assurance Report).

To the Board of Directors and Shareholders  
CJ Selecta S.A.  
São Paulo - SP

### Introduction

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

Our limited assurance does not extend to prior period information or to any other information disclosed in conjunction with the Sustainability Report 2022, including any embedded images, audio files or videos.

### Responsibilities of CJ Selecta S.A 's management

The management of CJ Selecta S.A is responsible for:

- Select and establish appropriate criteria for the elaboration of the information contained in the Sustainability Report 2022;
- Prepare the information in accordance with the criteria and guidelines of the Global Reporting Initiative (GRI - Standards);
- Design, implement, and maintain internal control over information relevant to the preparation of Sustainability Report 2022 that is free from material misstatement, whether due to fraud or error.

### Responsibility of the independent auditors

Our responsibility is to express a conclusion on the non-financial information included in the Sustainability Report 2022, based on the limited assurance engagement based on NBC TO 3000 - Assurance Engagements other than Audits and Reviews, also issued by the CFC, which is equivalent to 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). These standards require compliance by the auditor with ethical requirements, independence, and other responsibilities relating to it, including the application of the Brazilian Quality Control Standards (NBC PA 01) and, therefore, the maintenance of a comprehensive quality

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control system, including documented policies and procedures on compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Additionally, the standards require that the work be planned and performed with the objective of obtaining limited assurance that the non-financial information in the Sustainability Report 2022, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) mainly consists of inquiries to CJ Selecta S.A 's management and other CJ Selecta S.A's professionals who are involved in the preparation of information, as well as the application of analytical procedures to obtain evidence that enables us to conclude, in a limited assurance manner, 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 Sustainability Report 2022, taken as a whole, may present material misstatements.

The procedures selected were based on our understanding of the aspects relating to the compilation, materiality and presentation of the information contained in the Sustainability Report 2022, other circumstances of the engagement and our consideration of areas and the processes associated with the material information disclosed in the Sustainability Report 2022 where material misstatements could exist. The procedures comprised, among others:

- a. Planning the work, considering the materiality of the aspects for CJ Selecta S.A 's activities, the relevance of the information disclosed, the volume of quantitative and qualitative information and the operating and internal control systems that served as a basis for the preparation of the information contained in the Sustainability Report 2022.
- b. The understanding of the calculation methodology and the procedures for the compilation of the indicators through inquiries with the managers responsible for the preparation of the information;
- c. the application of analytical procedures on the quantitative information and inquiries on the qualitative information and its correlation with the indicators disclosed in the information contained in the Sustainability Report 2022; and
- d. for the cases in which the non-financial data correlate with indicators of a financial nature, the confrontation of these indicators with the accounting statements and/or accounting records.
- e. Analysis of the processes for preparing the Report and its structure and content, based on the Content and Quality Principles of the Sustainability Reporting Standards of the Global Reporting Initiative – GRI.
- f. Evaluation of the sampled non-financial indicators;
- g. Understanding the calculation methodology and the procedures for the compilation of the indicators through interviews with the managers responsible for the preparation of the information;

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- h. Analysis of the reasonableness of the justifications for the omission of performance indicators associated with aspects and topics indicated as material in the Company's materiality analysis.

The limited assurance work also comprised adherence to the guidelines and criteria of the GRI - Standards elaboration framework applicable in the preparation of the information included in the Sustainability Report 2022.

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 performed in limited assurance work vary in nature and timing, and are smaller in extent than in reasonable assurance work. Consequently, the level of assurance obtained in limited assurance work is substantially lower than that which would be obtained if reasonable assurance work had been performed. If we had performed reasonable assurance work, we could have identified other issues and possible distortions that may exist in the information contained in the Report. Therefore, we do not express an opinion on this information.


Non-financial data are subject to more inherent limitations than financial data, given the nature and diversity of the methods used to determine, calculate or estimate these data. Qualitative interpretations of materiality, relevance, and accuracy of the data are subject to individual assumptions and judgments. Additionally, we did not perform any work on data reported for prior periods, nor in relation to future projections and targets.

The preparation and presentation of sustainability indicators followed the GRI - Standards criteria and, therefore, are not intended to ensure compliance with social, economic, environmental or engineering laws and regulations. These standards do, however, provide for the presentation and disclosure of any non-compliance with such regulations when significant sanctions or fines are incurred. Our assurance report must be read and understood in this context, inherent to the selected criteria (GRI - Standards).

#### Conclusion

Based on the procedures performed, described in this report and the evidence obtained, nothing has come to our attention that causes us to believe that the non-financial information included in the Sustainability Report 2022 for the year ended December 31, 2022 of CJ Selecta S.A, have not been prepared, in all material respects, in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative – GRI.

São Paulo, July 26<sup>th</sup>, 2023

  
KPMG Auditores Independentes Ltda.  
CRC 2SP014428/O-6  
*Original report in portuguese signed by*  
Sebastian Yoshizato Soares  
Accountant CRC 1SP257710/O-4

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# CORPORATE INFORMATION

## HEADQUARTERS

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## INDUSTRIAL UNIT

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## COORDINATION

ESG Management

## WRITING, EDITING, REVISION AND GRI CONSULTANCY

Ability Sustentabilidade e Comunicação

## LAYOUT AND GRAPHIC DESIGN

MagentaLab and Yara Fernandes

## TRANSLATION

Iris Rober Ferreira

## IMAGES

CJ Selecta

# FOR MORE INFORMATION

ABOUT THIS REPORT AND ABOUT CJ SELECTA'S SUSTAINABILITY ACTIONS,  
GET IN TOUCH BY EMAIL: [SUSTENTABILIDADE@CJSLECTA.COM.BR](mailto:SUSTENTABILIDADE@CJSLECTA.COM.BR)

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