

POST-ISSUANCE REQUIREMENTS VERIFICATION

1. Use of proceeds

Toca Farm (Fazenda da Toca) produces organic eggs in the state of São Paulo, Brazil. The operation involves three aviaries, a feed factory, a processing unit (egg packing), a warehouse, and vehicle fleet for logistics. Toca Farm is 100% certified organic and is also certified for its good social and environmental practices, including: Certified Humane (animal welfare), Carbon Free (carbon neutralization), Eureciclo (recycling), and B Corporation (environmental, social and governance). Its organic eggs are sold in all the states of the South and Southeast of Brazil, plus the Federal District. The following are the Nominated Projects & Assets already associated with the bond.

NOMINATED PROJECT & ASSETS	DESCRIPTION	ESTIMATE VALUE (MM BRL)
Packing House	Construction: renovation and development of the barn infrastructure / Capital Goods: Acquisition of a classifying machine with a capacity of 72,000 eggs/hour.	1.957
Aviaries	Increase in Production Capacity: installation of new aviaries, proprietary and leased, to increase production.	1194
Aviary-Breeding	Batch Quality: to increase production capacity, we must invest not only in production aviaries, but also to breed	165
Feed Factory	Improvements in structure: acquisition of silos for grain; sealing machine; increased storage area; acquisition of equipment for cleaning the silos; installation of a gearmotor in a supply elevator; refurbishment of paving.	28
Logistics and Warehouse	New Warehouse: prefabricated 1080m2 (18mx60m) shed to increase in storage capacity.	141
Carbon Free	Reforestation: between 2021 and 2023, Fazenda da Toca will reforest 22 hectares, planting 37,000 native Atlantic Forest seedlings, neutralizing CO2 emissions.	80
Orgânico Solidário (Organic Solidarity)	Democratization of Organic Food: Fazenda da Toca is a supporter of the Organic Solidarity Movement, which has become a case study in philanthropy as one of the largest regular distributors of fresh, organic food to vulnerable communities.	70
Selective Collection and Recycling	Waste Management: Fazenda da Toca collects its waste, allocating organic materials for composting, and forwarding recyclable materials to the processing industry. In addition to internal selective collection, Toca also recycles 100% of its organic egg packaging.	60
Annual increase in Organic Grain (year on year)	Incentive for the Regenerative Organic Production Chain: For every 1 kg of eggs produced, 1.02E-05 Kg of pesticides, 1.3 kg of pesticides in the environment per ton of corn, and 5.5 kg for soybeans are saved. Reference: Impact Analysis	3.804
TOTAL		7.499

The resources received via Green Bond finance eligible green projects that include investments in productive, support, and regenerative infrastructure to boost the production and sale of organic eggs of a high animal welfare standard, aligned directly with SDG 2 (Zero Hunger and Sustainable Agriculture) and SDG 4 (Responsible Consumption and Production).

According to ESG Performance Analysis conducted by Sitawi Research, Fazenda da Toca demonstrates "superior ESG performance, with a focus on certified organic production and good animal welfare practices, carbon inventory preparation, high employee satisfaction rates and engagement in global social impact networks" (INDEPENDENT OPINION – First Green Title for Fazenda da Toca, in 2021), available at this [link](#).

For all eligibility criteria, Fazenda da Toca shows evidence of compliance with best environmental and social practices, such as certificates, audit results, monitoring reports, and activity status that will be presented as of item 4 of this document.

2. Process for evaluation and selection of projects & assets

The company's main social and environmental objectives are (i) to establish zero carbon and more sustainable production in all its processes (ii) to guarantee the highest animal welfare standards, (iii) to democratize access to organic and healthy food.

Considering that the productive activities emit greenhouse gases in receipt of inputs, distribution of the final product, and production itself – depending on energy and generating by-products, such as poultry waste from bedding, which emits nitrous oxide – Fazenda da Toca decided to zero all its GHG emissions and offer a Carbon Free certified food. To this end, the company has partnered with Iniciativa Verde, a non-profit institution specialized in reforestation, to do an inventory all its emissions based on an internationally recognized methodology (the GHG Protocol) and drawn up an offsetting strategy. Recognizing all its direct and indirect emissions in the Fazenda da Toca Emissions Inventory, the company decided to invest in forest replanting, as this is the most effective way of removing CO₂ from the atmosphere thanks to photosynthesis.

In 2018, Fazenda da Toca received the Certified Humane seal from Human Farm Animal Care (HFAC), the largest global certifier in defense of farm animal rights. Fazenda da Toca aviaries are adapted to provide the birds with quality of life and a pleasant routine in internal and external areas. Attention is paid to the environment, considering the planting of trees to offer shade and alternative feed for the birds. To increase production capacity at Fazenda da Toca, investment is needed to increase the number of aviaries, and to improve the infrastructure for animal comfort (ventilation, nebulization, perches, and so on).

At the beginning of the pandemic, Fazenda da Toca participated in the creation of the Organic Solidarity Movement, which addresses two social issues that became even more pressing during social isolation. Organic producers lost sales channels, as restaurants closed, and they found themselves with no way to shift production, seeing their income collapse. In addition, food insecurity has worsened in vulnerable communities. The Organic Solidarity Movement emerged as a social effort to put together organic food parcels for families in need. This initiative created a link between consumers and producers, helping solve the problem of surplus organic production and hunger, or a lack of healthy food, in many communities. Fazenda da Toca is a regular sponsor of the Organic Solidarity Movement, which to date has delivered more than

52,000 food parcels, benefiting 85 communities in four states: São Paulo, Rio de Janeiro, Santa Catarina, and Goiás.

The three main lines of socio-environmental investment listed above are currently funded by Green Bond, which has enabled a positive impact on the environment and society.

3. Use of proceeds - allocating report

NOMINATED PROJECT & ASSETS	DESCRIPTION
Packing House	More environmentally efficient equipment, does not use gas (unlike previous machinery) and consumes three times less water in the egg washing
Aviaries	Equipped with animal welfare infrastructure, ensuring thermal comfort, free availability of water and food, perches along the barns and dense vegetation in the external area.
Aviary-Breeding	Equipped with animal welfare infrastructure, ensuring thermal comfort and maximum quality of life for chicks.
Feed Factory	Production of organic, balanced feed for all stages of poultry life
Logistics and Warehouse	Support structure to increase production capacity, contributing to the positive impact of the business model
Carbon Free	Reforestation: between 2021 and 2023, Fazenda da Toca will reforest 22 hectares, planting 37,000 native Atlantic Forest seedlings, neutralizing CO2 emissions.
Orgânico Solidário (Organic Solidarity)	Democratization of Organic Food: Fazenda da Toca is a supporter of the Organic Solidarity Movement, which has become a case study in philanthropy as one of the largest regular distributors of fresh, organic food to vulnerable communities.
Selective Collection and Recycling	Waste Management: Fazenda da Toca collects its waste, allocating organic materials for composting, and forwarding recyclable materials to the processing industry. In addition to internal selective collection, Toca also recycles 100% of its organic egg packaging.
Annual increase in Organic Grain (year on year)	Incentive for the Regenerative Organic Production Chain: For every 1 kg of eggs produced, 1.02E-05 Kg of pesticides, 1.3 kg of pesticides in the environment per ton of corn, and 5.5 kg for soybeans are saved. Reference: Impact Analysis

4. Regeneration key indicators - environmental report: main results achieved/2021

In this report, we present evidence and indicators of good environmental and social practices by Fazenda da Toca regarding the Eligible Green Projects benefitting from the Green Bond. The following shows the positive impact the company has had on (i) animal welfare, (ii) carbon neutralization and zero deforestation, (iii) fostering organic regenerative agriculture, (iv) selective collection, recycling, and composting (v) support for food democratization and (vi) investment in eco-friendly equipment.

4.1. Animal welfare

CERTIFICADO DE CONFORMIDADE

CERTIFIED
HUMANE
BRASIL[®]

BEM-ESTAR ANIMAL[®]

A Humane Farm Animal Care (HFAC), sediada em 8 North Jay Street, 3rd Floor West, Middleburg, VA 20117, Estados Unidos, concede a certificação de bem-estar animal sob o Programa Certified Humane Raised and Handled[®] para:

Nome: Fazenda da Toca Ltda.
Endereço: Rodovia Washington Luis, km 204 - Zona Rural
CEP: 13.530-000, Caixa Postal 09 - Itirapina/SP
(ver em anexo detalhes das unidades certificadas)

Esta Operação foi inspecionada de acordo com o Manual de Diretrizes do Programa e o referencial HFAC para GALINHAS POEDEIRAS - SISTEMAS CAGE FREE/LIVRE DE GAIOLAS e CAIPIRA (ABNT NBR 16437/2016) e está autorizada a usar a Marca de Certificação acima associada aos seguintes produtos aqui listados:

**OVOS CAGE FREE/LIVRES DE GAIOLAS
OVOS CAIPIRA**

(Marcas: FAZENDA DA TOCA, TAEQ, MANTIQUEIRA, BIO VIDA, ST MARCHE, TAMBU, KATAYAMA, KEROVOS, SENTIR BEM, CARREFOUR BIO, LIBERTAS)

conforme previsto no Acordo de Licença de Marca de Certificação.

Esta Operação foi certificada na modalidade Operação de Produção Conjunta (PPO) e, portanto, está vinculada aos produtores listados no Anexo, todos inspecionados e conformes com as exigências do Programa.

Este certificado é pessoal e intransferível, válido até 20 / Jan / 2023.

Data de emissão: 27 / Jan / 2022
Data da última inspeção anual: 29 / Out / 2021
Número de Registro: BR18LHPP00014.22.2

DocuSigned by:
Assinatura: 
Luiz Mazzoni Neto, HFAC Global Program Director
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OBS: Este certificado substitui o Certificado HFAC BR18LHPP00014.22.1, emitido em 20/Jan/2022, que perde sua validade.
Anexo: Fornecedores Autorizados (PPO)

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Fazenda da Toca was the first free-range and organic egg production company in Brazil to get Certified Humane, animal welfare certification. The certifier's demands compliance beyond organic legislation, such as the requirement for perches in barns, and treatment and recovery spaces for birds that may weaken or in need of special care until they are returned to the lot. Fazenda da Toca is audited for animal welfare annually and issues management reports periodically.

4.2. Carbon neutralization and zero deforestation

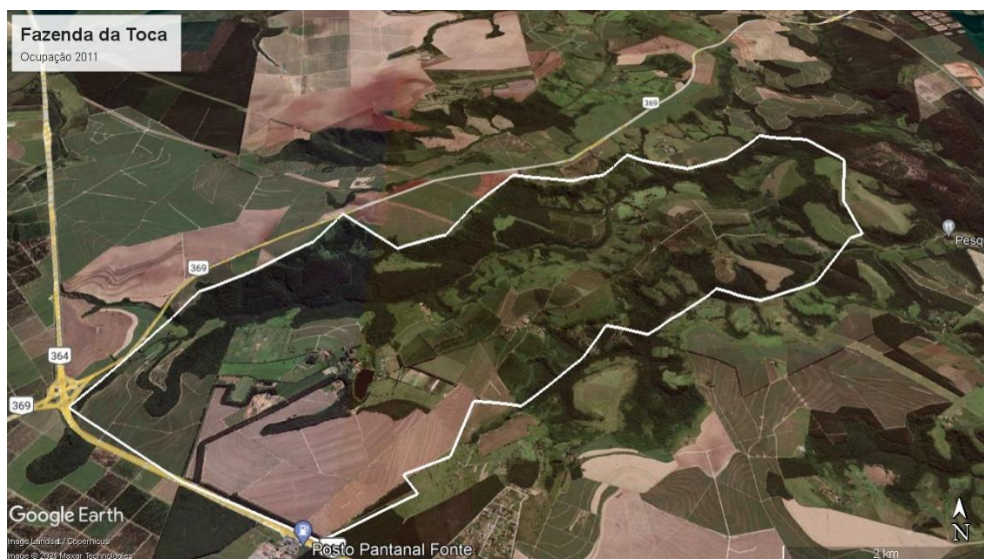
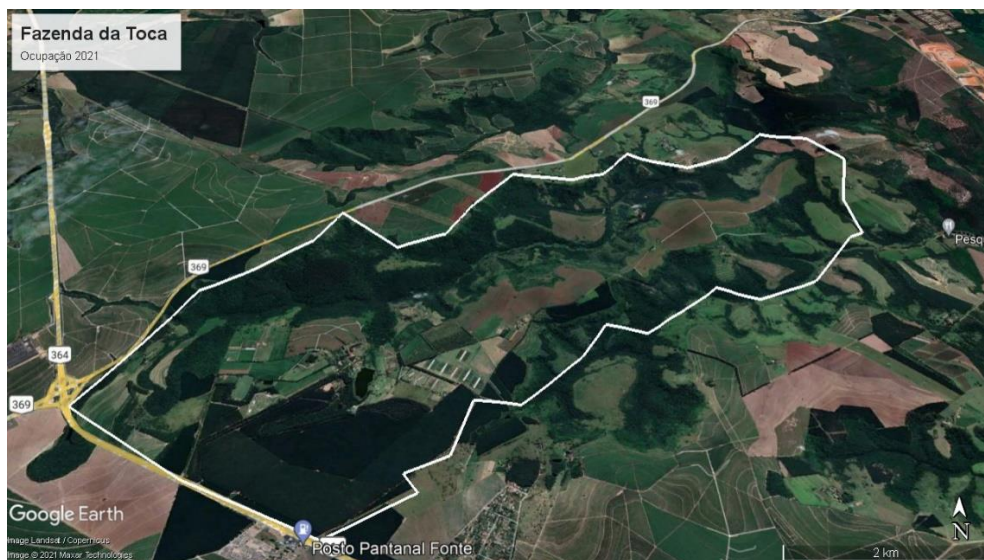


In partnership with Iniciativa Verde, a non-profit organization specializing in forest restoration, the Carbon Free project was split into two stages:

- (i) Fazenda da Toca's Emissions Inventory – a thorough survey of information related to the three emission scopes (Scope 1: Direct GHG emissions from sources of the inventoried organization's or controlled by it; Scope 2: Indirect emissions from the acquisition of electricity; Scope 3: Indirect emissions from sources that do not belong to or are not controlled by the organization). Based on the GHG Protocol methodology, Iniciativa Verde calculated all emissions related to input transport (CO₂); feed manufacturing (CO₂); aviaries (CO₂, CH₄, N₂O), Packing (CO₂); air travel, employee transportation (CO₂), and the transportation and distribution of the finished product (CO₂). The inventory resulted in a GHG emission per Egg Produced indicator of 44.57 grams of CO₂e. Considering an estimated egg

production in the three years of offsetting initially signed up to (2021, 2022, 2023), Fazenda da Toca will neutralize a total of 6,962.80 tons of CO₂.

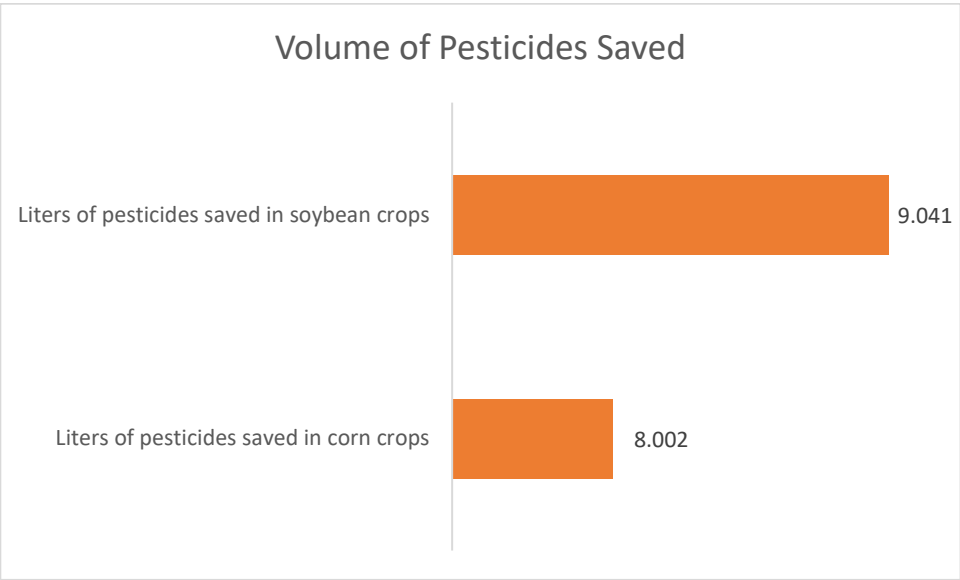
- (ii) Forest restoration – comprised the dedication of 21.6 hectares of Fazenda da Toca to the planting of 36,000 seedlings of Atlantic Forest and savanna species, transitioning biomes Fazenda da Toca is on. The area for the Carbon Free program is characterized as semi-deciduous seasonal forest and has a carbon stock potential of 322.12 tons of CO₂ per hectare. For the implementation of the project, three planting techniques were used: seed mix (113 native species), planting in furrows (forest seedlings), and nucleation, with 'islands' of vegetation to improve the conditions of the environment and aid occupation by other species. Toca's Carbon Free Consolidated Activity Report can be accessed [here](#).



In addition to the new reforested area dedicated to the Carbon Free program, Fazenda da Toca is committed to zero deforestation, keeping its vegetation cover intact, as shown above in satellite images from 2011 and 2021. The conservation areas (Permanent Preservation Areas and Legal Reserves) account for 35% of the total farm area, which is more than required by legislation in the Forest Code – which required 20% of native forest be preserved.

4.3. Fostering organic regenerative agriculture

VOLUME OF PESTICIDES SAVED*



*Based on amount of pesticides used per kg of soy and corn, according to Federal University of Mato Grosso
Technical reference may be found on this [link](#) page 10 at Sitawi Impact Report on Toca Farm

The fundamental premise in producing organic eggs is poultry feed be certified organic. Fazenda da Toca stimulates the organic conversion of the agricultural chain, notably grain such as corn and soybeans, which make up 70% of poultry feed. By expanding production capacity, the farm generates demand for organic and regenerative raw materials, positively impacting the environment.

In 2021, the farm consumed 5,900 tons of organic corn and 1,700 tons of organic soybeans, avoiding the dumping of more than 17,000 liters of pesticides into the environment.

In 2021, 80% of the corn consumed by Toca was produced by Rizoma Agro, whose production systems are organic and regenerative. That is, not only are they free of agrochemicals, but they use techniques and management that sequester carbon, promote biodiversity, and aid water retention.

4.4. Selective Collection, Recycling, and Composting of Waste

The egg packages used by Fazenda da Toca are made of molded pulp, which is 100% biodegradable and recyclable material. Through a partnership with Eureciclo, which specializes in solid waste management, the company guarantees the recycling of the entire mass equivalent into egg cases. In 2021, the company generated 191,118 tons of packaging. Of this volume, 130 tons have been offset to date (03/23/2022), as can be seen in this [link](#).

In addition to reverse packaging logistics, Fazenda da Toca has a Waste Management Plan that covers all its production units. Two weekly collections are performed, one for organic materials and one for recyclable and non-recyclable materials. In 2021, the company sent 50.01 tons of organic waste for composting, according to Romaneio Waste Treatment Disposal in this [link](#). Recyclable materials from receipt, such as casings, plastic packaging, and cardboard boxes, are sent to a sorting company (called Ponto Recicla) in Itirapina (SP) and later forwarded to the processor. In 2021, 41.56 tons of recyclable materials received at the farm were sent to be recycled, as can be seen in this [link](#).

4.5. Support for food democratization

The Organic Solidarity Movement, today the largest platform for regular donations of fresh and organic food in Brazil, is one of the main social activity channels for Fazenda da Toca. In addition to monthly financial contributions, which totaled R\$ 70,000 in 2021, the farm operates closely with the management at Organic Solidarity, promoting engagement efforts for its employees and proposing collaboration for knowledge transfers in organic and agroforestry food production techniques.

Fazenda da Toca also donates food to the Santa Teresa Cancer Child Support Home and has a partnership with the Solano Trindade Agency, made up of young people in the south of São Paulo, to facilitate access to organic food.

4.6. Investing in ecofriendly equipment

The new Packing House built with Green Bond resources is equipped with machinery developed by Plasson, global company specialized in manufacturing livestock equipment. Investments included the acquisition of Classyfyng Machine model 200 CXS/HR, designed to function without use of gas (unlike previous machinery) and consumes three times less water in the egg washing. The technical specifications of the equipment can be read in this [link](#).