

Financial Information

Fundo Brasileiro para a Biodiversidade - FUNBIO

From January 1 to December 31, 2023
with Independent auditor's report on financial information on
"Certain Projects managed by Fundo Brasileiro para a
Biodiversidade - FUNBIO"

Fundo Brasileiro para a Biodiversidade - FUNBIO

Financial Information on “Certain Projects”

From January 1 to December 31, 2023

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A free translation from Portuguese into English of Independent Auditor’s Report on the financial information prepared in Brazilian currency in accordance with the contracts entered into by and between the parties, and the cash receipt and disbursement basis of accounting described in Note 2

Independent auditor’s report on the financial information on “Certain Projects managed by Fundo Brasileiro para a Biodiversidade - FUNBIO”

To the
Executive Office and the Board of Directors of
Fundo Brasileiro para a Biodiversidade - FUNBIO
Certain Projects
Rio de Janeiro - RJ

Opinion

We have audited the financial information on Certain Projects (“Certain Projects” or “Projects”), managed by Fundo Brasileiro para a Biodiversidade - FUNBIO (“Entity”), financed with funds from various sponsors, as described in Note 1, for the period from January 1 to December 31, 2023, as well as the corresponding notes to the financial statements, as well as the corresponding notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying Projects’ Financial Information for the period from January 1 to December 31, 2023 was prepared, in all material respects, in accordance with the contracts entered into by and between the parties, and the cash receipt and disbursement basis of accounting described in Note 2.

Basis for opinion

We conducted our audit in accordance with the Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the ‘Auditors’ responsibilities for the audit of the financial statements’ section of our report. We are independent of the Entity and comply with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants and the professional standards issued by Brazil’s National Association of State Boards of Accountancy (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter - Basis of preparation and presentation of the financial information and restriction on distribution or use

We draw attention to Note 2 to the financial information, which describes the accounting basis of this financial information, prepared to assist the Entity in complying with the clauses for preparing the financial reports of the aforementioned contract. As such, the financial information may not serve any other purposes. Our report is intended solely for use and information by the Entity's executive board and Project funders, and should not be distributed or used by other parties. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial information

Management is responsible for preparing the financial information in accordance with the contracts entered into between the parties and with the cash receipt and disbursement basis of accounting described in Note 2, and for the internal controls as management determines is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

In preparing the financial information, management is responsible for assessing the Project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Project or has no realistic alternative but to do so.

Those charged with governance of the Project are responsible for overseeing the process of preparing its financial information.

Auditor's responsibilities for the audit of the financial information

Our objectives are to obtain reasonable assurance about whether the financial information as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial information.

As part of the audit conducted in accordance with the Brazilian and International Standards on Auditing, and the specific audit requirements set out in the clauses of the financial contribution from various sponsors, as described in Note 1, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



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- Identified and assessed risks of material misstatements of the financial information, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or future conditions may cause the Project to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Rio de Janeiro, May 29, 2024.

ERNST & YOUNG
Auditores Independentes S.S. Ltda.
CRC-SP015199/F

A handwritten signature in blue ink that reads "Felipe Vergete".

Felipe Sant' Anna Vergete
Accountant CRC-RJ106842/O

A free translation from Portuguese into English of the Financial Information prepared in Brazilian currency in accordance with the contracts entered into by and between the parties, and the cash receipt and disbursement basis of accounting described in Note 2

Fundo Brasileiro para a Biodiversidade - FUNBIO

Financial Information on “Certain Projects”

From January 1 to December 31, 2023

(In thousands of reais, unless otherwise stated)

Changes in “Certain Projects” funds in the period from January 1 to December 31, 2023 are presented below:

Note	Kayapó Fund	Kayapó Operational	Adoption of parks	Fauna Fund Portfolio	Cooperation Agreement between FUNBIO and MMA - Probio II	FUNBIO Scholarships - Preserving the Future	Exxon Mobil - AMLD	Amapá Fund	Amapá Fund Operational	Abrolhos Terra e Mar Fund (ATM Fund)	Abrolhos Terra e Mar Fund (ATM Fund) - Operational	Amazon Consortium - ICS	Amazon Consortium - Embassy of France – Phase II	Amazon Consortium - TNC	CLUA IBAMA POP	Ramsar Sites POP	ICMBio Protection Rewild POP	ICMBio Protection Moore POP	SMC POP	Living Amazon Facilitator Fund - ECF	Total Certain Projects	
Project balance at beginning of period	18,163	283	654	809	29	604	426	14,516	404	10,577	29	4	86	-	-	-	-	-	-	-	46,584	
Cash inflows	4	-	-	-	-	1,000	1,100	-	-	-	-	220	-	73	507	636	3,710	7,568	3,006	3,000	20,820	
Financial investment yields, net (*)	3	2,908	21	58	86	3	20	32	3,725	31	2,410	76	-	9	6	14	89	109	62	-	9,659	
Finance costs	3	(718)	(1)	-	-	-	(1)	(1)	(1,859)	-	(1,163)	(5)	(1)	(1)	(3)	(3)	(15)	(29)	(12)	-	(3,812)	
Foreign exchange differences	3	-	-	-	-	-	-	(659)	-	(386)	-	-	-	-	-	-	-	-	-	-	(1,045)	
Funds executed	5	-	(1,244)	-	-	-	(975)	(1,076)	-	(188)	-	(373)	-	(65)	(420)	-	-	(2,499)	-	-	(6,840)	
Transfers (Funbio revenue)	5	-	-	-	-	-	(165)	-	34	-	(183)	(23)	-	-	(56)	-	-	-	-	-	(393)	
Redemptions - Funds/Internal Transfer	4	(1,115)	1,115	-	-	-	-	-	-	(1,269)	1,269	-	-	-	-	-	-	-	-	-	-	
Other transfers	4	-	-	-	-	-	-	-	-	-	-	(200)	-	75	-	-	-	-	-	-	(125)	
Project balance at end of period	3	19,238	174	712	895	32	648	316	15,723	281	10,169	813	-	94	83	34	647	3,784	5,149	3,056	3,000	64,848

(*) This amount refers to financial investment yield (cost), net of income tax to be withheld upon redemption by Funbio.

See accompanying notes.

Fundo Brasileiro para a Biodiversidade - FUNBIO

Financial Information on “Certain Projects”

From January 1 to December 31, 2023

(In thousands of reais, unless otherwise stated)

Changes in “Certain Projects” funds in the period from January 1 to December 31, 2022 are presented below:

	Note	Kayapó Fund	Kayapó Operational	Adoption of parks	Fauna Fund Portfolio	Cooperation Agreement between FUNBIO and MMA - Probio II	FUNBIO Scholarships - Preserving the Future	Exxon Mobil - AMLD	Amapá Fund	Amapá Fund Operational	Abrolhos Terra e Mar Fund (ATM Fund)	Abrolhos Terra e Mar Fund (ATM Fund) - Operational	Amazon Consortium - ICS	Amazon Consortium - Embassy of France	Amazon Consortium - Embassy of France – Phase II	Total Certain Projects
Project balance at beginning of period		17,928	604	584	732	26	714	544	17,867	-	12,490	477	311	120	-	52,397
Cash inflows	4	-	-	-	-	-	1,000	1,000	-	-	-	-	-	-	85	2,085
Financial investment yields, net (*)	3	3,131	45	70	77	3	14	36	5,897	21	4,775	8	18	2	1	14,094
Finance costs	3	(1,740)	-	-	-	-	(1)	-	(7,815)	-	(6,147)	-	-	(1)	-	(15,704)
Foreign exchange differences	3	-	-	-	-	-	-	-	(719)	-	(541)	-	-	-	-	(1,260)
Funds executed	5	-	(1,391)	-	-	-	(1,121)	(1,000)	-	(224)	-	(456)	(480)	(121)	-	(4,793)
Transfers (Funbio revenue)	5	-	(131)	-	-	-	-	(150)	-	(107)	-	-	(45)	-	-	(433)
Redemptions - Funds/Internal Transfer	4	(1,156)	1,156	-	-	-	-	-	(714)	714	-	-	-	-	-	-
Other transfers		-	-	-	-	-	(2)	-	-	-	-	-	200	-	-	198
Project balance at end of period	3	18,163	283	654	809	29	604	426	14,516	404	10,577	29	4	-	86	46,584

(*) This amount refers to financial investment yield (cost), net of income tax to be withheld upon redemption by Funbio.

See accompanying notes.

Fundo Brasileiro para a Biodiversidade - FUNBIO

Notes to financial Information on “Certain Projects”
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

1. Operations

Fundo Brasileiro Para a Biodiversidade (FUNBIO) is a Brazilian private not-for-profit entity that operates in partnership with the government and business sectors as well as the civil society so that strategic and financial resources are earmarked for effective biodiversity conservation initiatives. The Entity's head office is located at Rua Voluntários da Pátria, nº 286, 5th and 6th floors, Botafogo, Rio de Janeiro - RJ, with establishment in the city of Brasília, Federal District, at SHN Quadra 2, Bloco F, Executive Office Tower, suite 1323 to 1326, Asa Norte.

The main activities include financial management of projects and funds, design of financial mechanisms and studies of new sources of funds for conservation, as well as procurement and engagement of goods and services. FUNBIO is accredited as an implementing agency for GEF - Global Environment Facility and for GCF - Green Climate Fund.

The financial information of Certain Projects managed by Fundo Brasileiro para a Biodiversidade - FUNBIO was prepared by the executive board for the period from January 1 to December 31, 2023 in order to inform the sponsors as to the financial execution of these projects, as follows:

1.1. Kayapó Fund (FK)

Endowment established and designed by FUNBIO to support Kayapó organizations in the long term and increase the capacity of Kayapó Indigenous Lands to maintain their physical integrity. FK received donations from the Amazon Fund, through the Brazilian Development Bank (BNDES), and from CI-Brazil (Conservation International). FUNBIO is the manager of the resources, which should be allocated to projects formulated by Brazilian indigenous organizations in connection with this ethnic group.

1.2. Adoption of parks

This type of support, created in 2011, seeks voluntary private investment to structure and foster the maintenance of Federal, State or Municipal Protected Areas, aimed at biodiversity conservation. The current contract entered into with BP Brasil in 2012 provides for a donation to support actions related to the administration and environmental management of protected areas. The project and territory that will receive the benefit have not yet been defined, and changes in the allocation of funds have not been determined.

FUNBIO manages the donations and provides specialized procurement and engagement, financial control and reporting services. In consideration for the contribution of resources, the companies' sponsorship is recognized and gain visibility in communication actions.

Fundo Brasileiro para a Biodiversidade - FUNBIO

Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

1. Operations (Continued)

1.3. Fauna Fund Portfolio

The Brazilian Fauna and Fishing Resources Conservation Portfolio - Fauna Brasil Portfolio is a financial mechanism that receives funds from criminal penalties, environmental administrative fines, donations, sponsorships and other sources. Result of a partnership with IBAMA (Brazilian Institute of Environment and Renewable Natural Resources), ICMBio and the Federal Prosecutor's Office, it is intended to fund endangered Brazilian fauna conservation programs and projects.

Currently, the Portfolio has not received funds, and the intention is to allocate the funds to projects with similar objectives. This can only be achieved by reinstating members representing the governance of the mechanism.

1.4. Cooperation Agreement between FUNBIO and MMA - Probio II

This Agreement was entered into to enable the use of the remaining financial resources from the Project Integrated Public-Private Actions for Biodiversity, under the agreement entered into by Brazil's Federal Savings and Loans Bank (Caixa Econômica Federal), the World Bank and FUNBIO. These funds come from the finance yield from the GEF donation.

The objectives of the project have already been achieved and the existing balance arising from investment yield awaits technical guidance for its allocation. After a resolution is issued, the project will be terminated.

1.5. FUNBIO Scholarships - Preserving the Future

The FUNBIO Scholarships – Preserving the Future Program, which is the result of the initial partnership between Instituto Humanize and FUNBIO, received in 2021 a contribution from Eurofins, in addition to the contributions from the aforementioned institutions. The purpose of the program is to provide financial support for field research on environment and biodiversity conservation conducted by master's and PhD students enrolled in universities and higher education institutes in the Brazilian territory.

1.6. Exxon Mobil - AMLD

In 2020, project “Partnership for Implementation of the Golden Lion Tamarin Ecological Park” was created to support the implementation of the Golden Lion Tamarin Ecological Park at Fazenda Igarapé, where, also in 2020, the forest restoration process with seedlings of species of the Atlantic Forest began, in the city of Silva Jardim, state of Rio de Janeiro. In 2020, the project “Forest Restoration for the Conservation of the Golden Lion Tamarin” performed maintenance and monitoring of seedlings of native species of the Atlantic Forest planted in 2019.

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Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

1. Operations (Continued)

1.7. Amapá Fund

The Amapá Fund was designed by FUNBIO with the support from the Gordon and Betty Moore Foundation and CI-Brazil, and in close cooperation with the State of Amapá Department of the Environment, in order to allocate resources for the maintenance of biodiversity protected areas in that state.

FUNBIO is the financial manager of the mechanism, which provides for the funding from various sources such as Consent Decrees (“TACs”), donations and payments for environmental services. The purpose is to give agility to the execution and flexibility in allocating resources to protected areas, so as to meet the actual needs of the Protected Areas of the most preserved state in Brazil.

1.8. Abrolhos Terra e Mar Fund (ATM Fund) - Operational

Abrolhos Terra e Mar Fund, formerly known as “Bahia & ES Fund”, was designed by FUNBIO with the support from the Gordon and Betty Moore Foundation and CI-Brazil, and in close coordination with Chico Mendes Institute for Biodiversity Conservation (ICMBio), in order to allocate resources to ensure the viability and sustainability of the Federal Protected Areas of Abrolhos Terra e Mar territory.

1.9. Amazon Consortium

The Interstate Consortium of the Legal Amazon is an agency established as a public association, with autonomy to raise funds, make investments and implement projects that are of common interest to the nine states of the Brazilian Legal Amazon. It is part of the indirect administration of all member states and is based in the Federal District, with head office in Brasilia and administrative offices in the associated states. This Consortium has two donators for contribution of funds:

- (i) Instituto Clima e Sociedade (ICS);
- (ii) Embassy of France in Brazil – Phase II;
- (iii) The Nature Conservancy (TNC)

1.10. CLUA IBAMA POP

Its aim is to develop an institutional diagnostic project and compile recommendations and suggestions for actions focused on the strategic planning of the Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA) in order to strengthen IBAMA for the fulfillment of its institutional mission.

This is an initiative of FUNBIO in conjunction with IBAMA, funded by the Climate and Land Use Alliance (“CLUA”) in the amount of US\$101 through the agreement signed on December 9, 2023.

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Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

1. Operations (Continued)

1.11. RAMSAR Sites POP

The project aims to establish a social governance system for the Amazonian mangroves and their Ramsar sites through the engagement of local institutions and traditional communities, particularly local artisanal fishermen. With a two-year execution period and resources donated by Bloomberg Philanthropies / Re:wild, it has the Ministry of the Environment and Climate Change (MMA) and ICMBio as the main executing partners.

1.12. ICMBio Protection POP

The ICMBio Protection is a project that aims to improve the availability of data for combating deforestation and increase the institutional presence of ICMBio in the BR-163 region, which concentrates a large part of the deforestation occurring in the Amazon Conservation Units.

For this purpose, US\$3,000 are being invested, originating from the Gordon and Betty Moore Foundation and RE: Wild, which contributed equally. The project will, through the procurement of goods and services, structure a situation room at ICMBio for monitoring deforestation occurrence alerts and reinforce the operationalization of field teams for an effective response to the generated alerts.

1.13. SMC POP

The project aims to analyze climatic, environmental, social, and demographic factors that characterize the main climate risks throughout the Brazilian territory and define the critical municipalities at the moment. In a second phase of the project, an analysis of future impacts will be carried out from an economic standpoint and estimate the adaptive cost versus non-adaptation, also allowing for analyses on localities and social groups that tend to be more impacted by climate change in Brazil.

The project will play a strategic role in supporting the National Secretariat of Bioeconomy to expand its capacities and carry out activities that accelerate the preparation and implementation of the new necessary policies, with priority given to the National Policy of Bioeconomy.

This is an initiative of FUNBIO in conjunction with the Ministry of the Environment and Climate Change, through the National Secretariat of Climate Change in conjunction with the National Secretariat of Bioeconomy. The funding for this project was provided by the Open Society Foundations (“OSF”) in the amount of US\$600 through the agreement signed on March 11, 2023.

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Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

1. Operations (Continued)

1.14. Living Amazon Facilitator Fund - ECF

It is a non-reimbursable philanthropic fund, the so-called Facilitator Fund, with the purpose of making structural investments in the training of cooperatives and associations, in conservation initiatives, and other themes that strengthen the socio-biodiversity chains and the territories where they are present, especially for youth and women.

The Amazônia Viva is a hybrid financing mechanism (blended finance) composed of a credit vehicle and a non-reimbursable investment fund aligned under the same governance process.

2. Material accounting practices

Basis of preparation and general information

This financial information has been prepared based on the cash receipt and disbursement basis of accounting, whereby revenues are recorded upon receipt of funds (resources) and expenses are recognized when they effectively represent expenses paid in cash. This accounting practice differs from the accounting practices applicable in Brazil, which establish that transactions must be recorded to the extent that they are incurred rather than when paid.

This financial information is presented in Brazilian reais (R\$), which is the Entity’s functional currency. All financial information presented in thousands of reais was rounded to the nearest thousand, unless otherwise stated.

This financial information was approved for issue by the Entity’s management on May 29, 2024.

3. Funds available

From January 1 to December 31, 2023 and 2022, the balance remaining in the checking account is as follows:

3.1. Kayapó Fund

Description	Type	12/31/2023	12/31/2022
Itaú Private - 013.548-6	Financial investment	4	-
Itaú Private - 013.548-6 - Efficax	Financial investment	11,366	10,671
Itaú Pragma - 89.239-9 - Fixed and Variable Income	Financial investment	7,868	7,492
		<u>19,238</u>	<u>18,163</u>

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Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

3. Funds available (Continued)

3.1. Kayapó Fund (Continued)

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$ 2,908 (2022 - R\$3,131) and finance costs amounted to R\$718 (2022 - R\$1,740).

The applications of the Kayapó Fund, managed by FUNBIO, through Pragma Patrimônio and Julius Bar Investment Bank, are diversified, short and long term, ranging from 1 year to 8 years, with liquidity varying from D+1 to D+180 days. The resources are invested in Public Securities - NTN-Bs, local and international variable income, Equities Hedge Fund, Low Vol fixed income, and pre-fixed/inflation.

3.2. Kayapó operational

Description	Type	12/31/2023	12/31/2022
Banco do Brasil - CDB 28.686-9	Financial investment	174	283

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$21 (2022 - R\$45) and finance costs amounted to R\$1.

Financial investments in bank deposit certificates - CDBs are represented by securities that guarantee 96% of the CDI variation, in 2023 and 2022, and are recorded by the value of the application, plus the income earned up to the date of the balance sheet. The investments are held in a first-tier financial institution.

3.3. Adoption of parks

Description	Type	12/31/2023	12/31/2022
Banco do Brasil - CDB 28.711-3	Financial investment	712	654

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$ 58 (2022 - R\$70).

Financial investments in bank deposit certificates - CDBs are represented by titles that guarantee 96% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

Fundo Brasileiro para a Biodiversidade - FUNBIO

Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

3. Funds available (Continued)

3.4. Fauna Fund Portfolio

Description	Type	12/31/2023	12/31/2022
Itaú - 01677-4 - CDB	Financial investment	713	644
Itaú - 01677-4 - Private Exclusive FIC	Financial investment	182	165
		<u>895</u>	<u>809</u>

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$86 (2022 - R\$77).

Financial investments in bank deposit certificates - CDBs are represented by securities that guarantee from 96% to 101% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.5. Cooperation Agreement between FUNBIO and MMA - Probio II

Description	Type	12/31/2023	12/31/2022
Banco do Brasil - CDB 130.239-6	Financial investment	32	29

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$3 (2022 - R\$3).

Financial investments in bank deposit certificates - CDBs are represented by titles that guarantee 96% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.6. FUNBIO Scholarships - Preserving the Future

Description	Type	12/31/2023	12/31/2022
Banco do Brasil - CDB 24.128-8	Financial investment	648	604

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$20 (2022 - R\$14) and finance costs amounted to R\$1 (2022 - R\$1).

Financial investments in bank deposit certificates - CDBs are represented by titles that guarantee 96% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

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Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

3. Funds available (Continued)

3.7. Exxon Mobil - AMLD

Description	Type	12/31/2023	12/31/2022
Banco do Brasil - CDB 24.900-9	Checking account	1	-
Banco do Brasil - CDB 24.900-9	Financial investment	315	426
		316	426

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$32 (2022 - R\$36) and finance costs amounted to R\$1.

Financial investments in bank deposit certificates - CDBs are represented by securities that guarantee from 96% to 99% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.8. Amapá Fund

Description	Type	12/31/2023	12/31/2022
Itaú Private - 17.414-7	Checking account	3	1
Itaú Private - Efficax - 17.414-7	Financial investment	314	317
Itaú Pragma - Fixed and Variable Income - 96.669-8	Financial investment	5,697	4,923
BNP Paribas Osmosis Global - Equity - 1084425	Financial investment	620	551
Julius Bär - 0600.6870	Financial investment	8,903	8,538
BTG Pactual - GAMA BW - 03562585	Financial investment	186	186
		15,723	14,516

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$3,725 (2022 - R\$5,897), finance costs amounted to R\$1,859 (2022 - R\$7,815) and the foreign exchange loss totaled R\$659 (2022 - R\$719).

The investments of the Amapá Fund, managed by FUNBIO, through Pragma Patrimônio and Julius Bar Investment Bank, are diversified, short and long term, ranging from 1 year to 8 years, with liquidity varying from D+1 to D+180 days. The resources are invested in Public Securities - NTN-Bs, local and international variable income, Equities Hedge Fund, Low Vol fixed income, and pre-fixed/inflation.

3.9. Amapá Fund Operational

Description	Type	12/31/2023	12/31/2022
Banco do Brasil - 29009-2	Checking account	-	3
Banco do Brasil - CDB - 29009-2	Financial investment	281	401
		281	404

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Notes to financial Information on "Certain Projects" (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

3. Funds available (Continued)

3.9. Amapá Fund Operational (Continued)

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$31 (2022 - R\$21).

Financial investments in bank deposit certificates - CDBs are represented by titles that guarantee 96% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.10. Abrolhos Terra e Mar Fund (ATM Fund)

Description	Type	12/31/2023	12/31/2022
Itaú Pragma - 15.874-0	Checking account	4	1
Itaú Pragma - Fixed and Variable Income - 15.874-0	Financial investment	3,975	3,442
Itaú Private - Efficax FI - 02.077-9	Financial investment	236	232
Julius Bär - 0600.6869	Financial investment	5,401	6,398
BNP Paribas - Osmosis Global - 1084424	Financial investment	441	392
BTG Pactual - GAMA BW - 03370187	Financial investment	112	112
		10,169	10,577

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$2,410 (2022 - R\$4,775), finance costs amounted to R\$1,163 (2022 - R\$6,147) and the foreign exchange loss totaled R\$386 (2022 - R\$541).

The investments of the Amapá Fund, managed by FUNBIO, through Pragma Patrimônio and Julius Bar Investment Bank, are diversified, short and long term, ranging from 1 year to 8 years, with liquidity varying from D+1 to D+180 days. The resources are invested in Public Securities - NTN-Bs, local and international variable income, Equities Hedge Fund, Low Vol fixed income, and pre-fixed/inflation.

3.11. Abrolhos Terra e Mar Fund (ATM Fund) - Operational

Description	Type	12/31/2023	12/31/2022
Banco do Brasil - CDB 130.124-1	Financial investment	813	29

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$76 (2022 - R\$8) and finance costs amounted to R\$5.

Financial investments in bank deposit certificates - CDBs are represented by titles that guarantee 96% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

Fundo Brasileiro para a Biodiversidade - FUNBIO

Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

3. Funds available (Continued)

3.12. Amazon Consortium – ICS

Description	Type	12/31/2023	12/31/2022
Banco do Brasil - CDB 25.877-6	Financial investment	-	4

In the period from January 1 to December 31, 2023, net financial investment yield totaled (2022 - R\$18) and finance costs amounted to R\$ 1.

Financial investments in bank deposit certificates - CDBs are represented by titles that guarantee 96% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.13. Amazon Consortium - Embassy of France – Phase II

Description	Type	12/31/2023	12/31/2022
Banco do Brasil - CDB 26.171-8	Financial investment	94	86

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$ 9 (2022 – R\$ 1) and finance costs amounted to R\$ 1.

Financial investments in bank deposit certificates - CDBs are represented by titles that guarantee 96% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.14. Amazon Consortium - TNC

Description	Type	12/31/2023
Banco do Brasil - CDB 25.877-6	Financial investment	83

Financial investments in bank deposit certificates - CDBs are represented by titles that guarantee 96% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

Fundo Brasileiro para a Biodiversidade - FUNBIO

Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

3. Funds available (Continued)

3.15. CLUA IBAMA POP

Description	Type	12/31/2023
Banco do Brasil - CDB 28.149-2	Checking account	1
Banco do Brasil - CDB 28.149-2	Financial investment	33
		<u>34</u>

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$6 and finance costs amounted to R\$3.

Financial investments in bank deposit certificates - CDBs are represented by securities that guarantee from 96% to 99% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.16. Ramsar Sites POP

Description	Type	12/31/2023
Banco do Brasil - CDB 27846-7	Financial investment	<u>647</u>

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$14 and finance costs amounted to R\$ 3.

Financial investments in bank deposit certificates - CDBs are represented by securities that guarantee from 96% to 99% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.17. ICMBio Protection Rewild POP

Description	Type	12/31/2023
Banco do Brasil - CDB 27850-5	Financial investment	3,784

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$89 and finance costs amounted to R\$15.

Financial investments in bank deposit certificates - CDBs are represented by securities that guarantee from 96% to 99% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

Fundo Brasileiro para a Biodiversidade - FUNBIO

Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

3. Funds available (Continued)

3.18. ICMBio Protection Moore POP

Description	Type	12/31/2023
Banco do Brasil - CDB 27851-3	Checking account	36
Banco do Brasil - CDB 27851-3	Financial investment	5,113
		<u>5,149</u>

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$109 and finance costs amounted to R\$29.

Financial investments in bank deposit certificates - CDBs are represented by securities that guarantee from 96% to 99% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.19. SMC POP

Description	Type	12/31/2023
Banco do Brasil - CDB 27849-1	Financial investment	3,056

In the period from January 1 to December 31, 2023, net financial investment yield totaled R\$62 and finance costs amounted to R\$12.

Financial investments in bank deposit certificates - CDBs are represented by securities that guarantee from 96% to 99% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

3.20. Living Amazon Facilitator Fund - ECF

Description	Type	12/31/2023
Banco do Brasil - 28269-3	Checking account	3,000

Financial investments in bank deposit certificates - CDBs are represented by securities that guarantee from 96% to 101% of the CDI variation, in 2023 and 2022, and are recorded at the value of the investment, plus the earnings accrued up to the balance sheet date. The investments are held in a top-tier financial institution.

Fundo Brasileiro para a Biodiversidade - FUNBIO

Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

4. Inflows and internal transfers of funds in the period

Total funds contributed by the donor for projects’ execution and internal transfers between projects in the period from January 1 to December 31, 2023 were as follows:

Project	Cash inflows	Internal transfers	Total inflows and internal transfers	Date of entry into the Bank
Kayapó Fund	-	(284)	-	01/09/2023
Kayapó Fund	-	(831)	-	08/20/2023
Total Kayapó Fund	-	(1,115)		
Kayapó Operational	-	284	-	01/09/2023
Kayapó Operational	-	831	-	08/20/2023
Total Kayapó Operational	-	1,115		
Abrolhos Terra e Mar Fund (ATM Fund)	-	(1,269)	-	02/07/2023
Abrolhos Terra e Mar Fund (ATM Fund) - Operational	-	1,269	-	-
Funbio Scholarships - Instituto Humanize	500	-	04/19/2023	-
Funbio Scholarships - Funbio	500	-	12/13/2023	-
Total Funbio Scholarships	1,000	-	-	-
Exxon Mobil - AMLD	1,100	-	09/08/2023	-
Amazon Consortium - ICS	220	(200)	05/11/2023	05/24/2023
Amazon Consortium - TNC	73	75	12/28/2023	11/16/2023
CLUA IBAMA POP	507	-	10/13/2023	-
Ramsar Sites POP	636	-	09/22/2023	-
ICMBio Protection Rewild POP	3,710	-	09/06/2023	-
ICMBio Protection Moore POP	7,568	-	10/13/2023	-
SMC POP	3,006	-	09/28/2023	-
Living Amazon Facilitator Fund - ECF - NATURA BIOSPHERA	2,000	-	12/21/2023	-
Living Amazon Facilitator Fund - ECF - NATURA COSMÉTICOS	1,000	-	12/21/2023	-
Total Living Amazon Facilitator Fund - ECF	3,000	-		
Total inflows and internal transfers of funds	20,820	(125)		

Fundo Brasileiro para a Biodiversidade - FUNBIO

Notes to financial Information on “Certain Projects” (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

5. Execution of funds and transfers (revenue) - Funbio

Funds executed and transfers (revenue) of Funbio, segregated by project, in the period from January 1 to December 31, 2023 and 2022 are presented below:

5.1 Kayapó operacional

	2023	2022
AFP Project - Institutional strengthening towards autonomy	(417)	(328)
IR Project	(414)	(511)
IK Project	(284)	(317)
CI-Brazil Project	(104)	(76)
Other expenses	(25)	(159)
Total funds executed	(1,244)	(1,391)
Funbio management	-	(131)
Total transfers (revenue) - Funbio	-	(131)

5.2. FUNBIO Scholarships - Preserving the Future

	2023	2022
Scholarship - PhD	(863)	(1,016)
Scholarship – Master’s degree	(83)	(91)
Management of Funbio scholarships	(29)	(14)
Total funds executed	(975)	(1,121)

5.3. Exxon Mobil - AMLD

	2023	2022
Golden Lion Tamarin Ecological Park II	-	(534)
Golden Lion Tamarin Ecological Park 3	(384)	(466)
Golden Lion Tamarin Ecological Park IV	(692)	-
Total funds executed	(1,076)	(1,000)
Funbio management	(165)	(150)
Total transfers (revenue) - Funbio	(165)	(150)

5.4. Amapá Fund - Operational

	2023	2022
Support to project	(188)	(151)
Technical Secretariat	-	(73)
Total funds executed	(188)	(224)
Financial Manager	34	(107)
Total transfers (revenue) - Funbio	34	(107)

Fundo Brasileiro para a Biodiversidade - FUNBIO

Notes to financial Information on "Certain Projects" (Continued)
From January 1 to December 31, 2023
(In thousands of reais, unless otherwise stated)

5. Execution of funds and transfers (revenue) – Funbio (Continued)

5.5. Abrolhos Terra e Mar Fund (ATM Fund) - Operational

	<u>2023</u>	<u>2022</u>
Support to project	(190)	(456)
Technical Secretariat	(183)	-
Total funds executed	(373)	(456)
Financial Manager	(183)	-
Total transfers (revenue) - Funbio	(183)	-

5.6. Amazon Consortium - ICS

	<u>2023</u>	<u>2022</u>
Control of deforestation	-	(480)
Total funds executed	-	(480)
Funbio management	(23)	(45)
Total transfers (revenue) - Funbio	(23)	(45)

5.7. Amazon Consortium - TNC

	<u>2023</u>
Control of deforestation	(65)
Total funds executed	(65)

5.8. CLUA IBAMA POP

	<u>2023</u>
Strategic Planning IBAMA	(420)
Total funds executed	(420)
Funbio management	(56)
Total transfers (revenue) - Funbio	(56)

5.9. ICMBio Protection Moore POP

	<u>2023</u>
Total funds executed	(2,499)

Independent auditor’s report on compliance with the accounting and financial contractual provisions of “Certain Projects”

To the
Executive Office and the Board of Directors of
Fundo Brasileiro para a Biodiversidade - FUNBIO
Certain Projects
Rio de Janeiro - RJ

We have audited the financial information for the period from January 1 to December 31, 2023 on the Certain Projects (“Certain Projects” or “Projects”), managed by Fundo Brasileiro para a Biodiversidade - FUNBIO (the “Entity”), various sponsors, as described in Note 1, and issued our report thereon dated May 29, 2024.

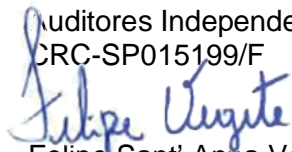
Our audit was focused on checking whether the contractual provisions directly related to accounting and financial matters of the Projects have been appropriately complied with.

We conducted our audit in accordance with the International Standards on Auditing and the requirements set out in the financial contribution agreement with various sponsors. These standards require that we plan and conduct the audit in order to obtain reasonable assurance that FUNBIO has complied with the clauses set out in the financial contribution agreement with various sponsors. The audit includes review, on a test basis, of the evidence deemed appropriate by us. Accordingly, we believe that our audit provides a reasonable basis for our opinion.

In our opinion, in the period from January 1 to December 31, 2023, FUNBIO complied, in all material respects, with the applicable contractual provisions, of an accounting and financial nature, of the financial contribution agreement entered into with various sponsors, as described in Note 1.

Rio de Janeiro, May 29, 2024.

ERNST & YOUNG
Auditores Independentes S.S. Ltda.
CRC-SP015199/F



Felipe Sant' Anna Vergete
Accountant CRC-RJ106842/O

Independent auditor’s report on the internal control structure of “Certain Projects”

To the
Executive Office and the Board of Directors of
Fundo Brasileiro para a Biodiversidade - FUNBIO
Certain Projects
Rio de Janeiro - RJ

This report supplements our report on the financial information on the Certain Projects.

The executive board of Fundo Brasileiro para a Biodiversidade - FUNBIO, manager of the Projects, is responsible for maintaining an internal control structure sufficient to mitigate the risks of material misstatement in the financial information and protect the assets under custody of the Project, including the areas constructed and other assets acquired. In order to fulfill this responsibility, the executive board is required to make judgments and estimates to evaluate the expected benefits and costs of the internal control policies and procedures. The objectives of an internal control system are to provide the executive board with reasonable, but not absolute, assurance that assets are protected against losses arising from unauthorized use or disposals, that transactions are carried out in accordance with the executive board’s authorizations and agreement terms, and that they are properly recorded to allow the preparation of reliable financial information. Due to the limitations inherent in any internal control system, errors or irregularities may occur and remain undetected. In addition, the projections of any assessment of the structure of future periods are subject to the risk that the procedures could prove inadequate due to changes in conditions, or that the effectiveness of the design and operation of the policies and procedures could deteriorate.

In planning and conducting our audit of the financial information on the Project for the period from January 1 to December 31, 2023, we obtained an understanding of the internal control structure and assessed the risk of control to determine our audit procedures, in order to express an opinion on the financial information on the Project, but not to issue an opinion on the effectiveness of the internal control structure.

Our audit of the Project for the period from January 1 to December 31, 2023 revealed no significant deficiencies in the design or operation of internal controls that, in our opinion, could significantly affect FUNBIO’s ability to record, process, summarize and report financial information consistently with the executive board’s representations in the financial information of funds received, disbursements made, and accumulated investments.



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A significant deficiency is the condition in which the design or operation of one or more elements of the internal control structure does not reduce to a relatively low level the risk that errors or irregularities may occur in amounts that could be significant in relation to the financial information of the Project, and that could not be detected on a timely basis by FUNBIO employees in the normal course of the duties assigned thereto.

Our consideration of the internal control structure does not necessarily expose all matters of that system that could be considered significant deficiencies and, therefore, should not necessarily expose all conditions to be reported that could be considered significant deficiencies, according to the definition above.

Rio de Janeiro, May 29, 2024.

ERNST & YOUNG
Auditores Independentes S.S. Ltda.
CRC-SP015199/F

A handwritten signature in blue ink, appearing to read 'Felipe Vergete', is written over the printed name.

Felipe Sant' Anna Vergete
Accountant CRC-RJ106842/O