External Review
Second Party Opinion

LD CELULOSE

GREEN BOND / LOAN PERIODIC REVIEW 2024/2025

**Document Title:** Green Loan / Bond Framework Periodic Review for LD Celulose
**Prepared By:** DNV BUSINESS ASSURANCE AVALIACOES E CERTIFICACOES BRASIL LTDA
**Location:** São Paulo, SP – Brazil.
**Date**: 30/10/2025
**Project Number:** PRJN- 1045436

## Table of Contents



**Disclaimer**

Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures are provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not be detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

**Statement of Competence and Independence**

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 - Conformity Assessment – General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct during the assessment and maintain independence where required by relevant ethical requirements.

# DNV'S INDEPENDENT ASSESSMENT

## Scope and Objectives

LD Celulose S.A. ("LDC" or "Company") is a joint venture between the Austrian company Lenzing AG ("Lenzing"), the world leader in cellulosic fibers, and the Brazilian company Dexco S.A. ("Dexco"), one of the world's 10 largest companies in its sectors and, inter alia, the largest producer of industrialized wood panels in the Southern Hemisphere. Currently, Lenzing owns 51% of the Company and Dexco 49%. The Company is one of the world's largest dissolving wood pulp plants.

This report reviews the allocation of a total amount of US$ 95,384,384.21 in initiatives related to projects with environmental benefits by LD Celulose between September 2024 and September 2025. DNV Business Assurance Brasil ("DNV") conducted a Green Bond/Loan Eligibility Assessment of the bonds and loans against industry standards and principles (collectively, the "principles").

Our methodology to achieve this is described under 'Work Undertaken', below. We were not commissioned to provide independent assurance or other audit activities.

This Periodic Review is about the alignment of the proposed financial instruments against the following principles:

- Green Bond Principles 2025 ("GBP"), published by International Capital Market Association ("ICMA");
- Green Loan Principles 2025 ("GLP"), published by Loan Market Association ("LMA"), Loan Syndications and Trading Association ("LSTA") e Asia Pacific Loan Market Association ("APLMA");

It is important to note that:

- DNV does not provide legal advice in Brazil or any other country. We are not qualified to ascertain whether the financial instruments meet legal requirements or any other regulations.
- DNV will take no position on the financial viability of any financial instrument.

Details of the bonds / loan are shown below:

| Project category | Description and Environmental Benefit | Total Issuance (US$)<br>September/2024 - September/2025 |
|---|---|---|
| Environmentally sustainable management of living natural resources and land use | **Forest formation** - Leasing of areas with degraded pasture for the implementation of a planted Eucalyptus Forest | 91,327,540.49 |
| Conservation of Biodiversity | **Fauna monitoring** - Identification of fauna species present in the area of operation | 429,828.93 |
| | **Flora monitoring** - Identification of flora species present in the area of operation | |
| | **Restoration program** - Enrichment and environmental compensation planting | |

| | | |
|---|---|---|
| Climate Change Adaption | **Forest protection** - Investments in forest protection aiming for fire reduction and combat that avoid emissions and contribute to climate maintenance | 3,627,014.79 |

DNV has been commissioned by LDC to provide periodic review of the bonds and their alignment with the Company's Framework governing these activities and their annual results. Our criteria and information covered to achieve this are described under 'Work Undertaken' below. The Periodic Review was conducted on information provided by LDC in October 2025.

Our methodology to achieve this is described under 'Work Undertaken', below. We were not commissioned to provide independent assurance or other audit activities.

## Responsibilities LDC and DNV Management

The management of LDC has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform LDC's management and other interested stakeholders in the loans and/or bonds emitted as to whether they are aligned with the principles. In our work we have relied on the information and the facts presented to us by LDC. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by LDC's management and used as a basis for this assessment were incorrect or incomplete.

## Basis of DNV's Opinion

We have adapted our assessment methodology to create a LDC specific Eligibility Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which the Framework has been reviewed are grouped under the four core components:

1. Use of Proceeds

The Use of Proceeds criteria are guided by the requirement that the beneficiary of a Loan or Bond must use the funds raised to finance, refinance or to repay equity of eligible activities. The eligible activities should produce clear environmental and social benefits.

2. Project Evaluation and Selection

The Project Evaluation and Selection criteria are guided by the requirements that the issuer of a Loan or Bond should outline the process followed when determining eligibility of a project to use Green / Sustainable proceeds, including the outline of any impact objectives it will consider.

3. Management of Proceeds

The Management of Proceeds criteria are guided by the requirements that a Loan or Bond should be tracked within the organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled will be made.

4. Reporting

The Reporting criteria are guided by the recommendation that at least annual reporting should be made of the use of proceeds and that quantitative and/or qualitative performance indicators should be used, whenever feasible.

No assurance is provided regarding the financial performance of instruments issued via the Framework, the value of any investments, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the Bonds/Loans has met the criteria established on the Framework.

## Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by LDC in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of a Protocol, adapted to the purpose of the bonds/loans, as described above;
- Assessment of documentary evidence provided by LDC on the loans and bonds and supplemented by high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Review of published materials on LDC's website;
- Discussions with LDC's management, alongside the review of relevant documentation and evidence related to the criteria of the Protocol;
- Documentation of findings against each element of the criteria;
- Review of the nominated projects and assets as described in Schedule 2 as at the time of this Periodic Verification.

Our opinion as detailed below is a summary of these findings.

# FINDINGS AND DNV'S OPINION

DNV's findings on the alignment with the principles are listed below:

## 1. Use of Proceeds

LDC's Green Financing Framework establishes a robust Sustainable Financing program, applicable to existing and future sustainable expenditures. It can be applied to finance and/or refinance, in whole or in part, the Company's new or existing projects, as well as those of its subsidiaries, that have a positive environmental impact and are aligned with the Company's strategy. It can be used both in the capital market and in the loan market.

DNV has reviewed the evidence submitted, and confirms that the Eligible Project Categories submitted by LDC in the base year are as follows:

| Eligible Green Categories |
| --- |
| • *Environmentally Sustainable Management of Living Natural Resources and Land Use;*<br>• *Conservation of Biodiversity;*<br>• *Climate Change Adaption.* |

.

The eligible projects will be detailed in the annexes. The Framework also strengthens the eligibility criteria for projects by including an exclusion list, as will be detailed in the annexes.

DNV considers that the declared eligible projects will generate environmentally beneficial results, contributing to a low-carbon economy.

The Company undertakes to publicly report its contributions and impacts through quantitative indicators via an impact report.

## 2. Process for Project Evaluation and Selection

The Company has described in the "Project Evaluation and Selection" section of its Framework eligibility criteria for each type of green project to be covered by the Use of Proceeds section of its Framework.

The company has confirmed that there is a process for evaluating and selecting eligible projects. This evaluation is supervised by a dedicated Green Finance Committee ("the Committee") for evaluating and selecting the investments made with the proceeds of the Green Financing Instruments to ensure that they meet the scope established in this Framework. The Committee is composed of Sustainability Management, Treasury Management, Production Management and Forestry Management.

Based on the interviews conducted, evidence analyzed, and the information contained in the Company's Framework, through its Sustainability Strategy, we can confirm that LDC is committed to improving its sustainability performance.

DNV concludes that, based on the information provided, the objective of the Framework aligns with LDC's approach to managing sustainability and supports the sustainable development of the sector.

Further details will be contained in the Annexes to this document.

DNV concludes that Framework adequately describes the process of evaluating and selecting eligible projects.

## 3. Management of Proceeds

The Framework states that "LDC's treasury team will be responsible to allocate and track an amount equal to the net proceeds, and the Committee will be responsible for controlling the allocation of resources to ensure compliance with the ESG criteria defined in this Framework". The document also informs investors that an amount equal to the net proceeds of each Green Financing Instrument will be allocated to refinance investments made by the company from September 1, 2024, to September 30, 2025, to finance projects during the 12 months after the date of issuance.

Further details will be contained in the Annexes to this document.

DNV concludes that the Framework outlines an appropriate process for tracking funds attested by a formal internal process.

## 4. Reporting

LDC has prepared a report that includes:

- Allocation Reporting
- Impact Reporting

DNV has reviewed the impact reporting metrics associated with the current reporting period including verification of a sample of calculations, references and values. Based on the limited assurance procedures conducted, nothing has come to our attention that causes us to believe that, for the 2025 financial year, the impact reporting metrics are not, in all material respects, reasonable and correct.

On the basis of the information provided by LDC and the work undertaken, it is DNV's opinion that the LDC's Green Bond/Loan instruments issued under this Framework meet the criteria established in the Protocol and is aligned with GBP/GLP.

**For DNV Business Assurance Avaliações e Certificações Brasil Ltda.**

São Paulo, Brazil. October 30th, 2025

Elisa Pales Dias

Elisa Pales Dias (Oct 30, 2025 11:43:07 ADT)

Elisa Pales Dias
**ESG Senior Specialist**

Suyla Beraldo

Suyla Beraldo (Oct 30, 2025 08:28:32 MDT)

Suyla Beraldo
**Senior Sustainability Consultant**

Juan A. Salido

Juan A. Salido (Oct 30, 2025 15:39:49 GMT+1)

Juan A. Salido
**Senior Sustainability Consultant**
**Quality Reviewer**

Mayara Oliveira

Mayara Oliveira (Oct 30, 2025 11:35:43 ADT)

Mayara Oliveira
**Trechnical Leader**
**Lead Verifier**

## SCHEDULE 1. REFINANCED PROJECTS

| Categories | Eligibility Criteria | DNV Findings |
|---|---|---|
| **Eligible Green Categories** | | |
| **Environmentally Sustainable Management of Living Natural Resources and Land Use** | Capital and operating expenses required for activities necessary to manage and protect forests and eucalyptus plantations, committed to comply with international and national standards for responsable forestry such as FSC® - Forest Stewardship Council® (FSC-C165948), or equivalent certification schemes, this includes:<br>• Production and acquisition of eucalyptus seedlings;<br>• Preparation of soil for the plantation of seedlings;<br>• Planting of seedlings;<br>• Protection and maintenance of planted seedlings up until harvest;<br>• Forest microplanning: previous operation assessment considering technical, environmental and social aspects;<br>• Breeding of new varieties adapted to changing climate, e.g, drought resistant;<br>• Activities and services required to assess practices and implement appropriate measures in third party planted areas for sustainable forestry certification. | DNV concludes that the eligibility criteria described may contribute to the following aspects:<br><br>Conservation of Natural Resources: Sustainable management ensures that natural resources such as water and soil are used efficiently and responsibly, preventing their degradation, and ensuring their availability for future generations.<br><br>Mitigation of Environmental Risks: By adopting sustainable practices, the company can reduce risks associated with environmental issues, such as climate change and resource scarcity. This protects asset value and reduces exposure to environmental liabilities and regulatory challenges.<br><br>Integrating environmentally sustainable management of living natural resources and land use into a sustainable finance framework is therefore crucial for ensuring that investments and business practices are responsible, resilient, and aligned with sustainable development goals. |
| **Restoration Of Native Forests and Conservation of Biodiversity** | Capital and operating expenses required for activities that maintain existing strict conservation areas or that develop new strict conservation areas and protect any animal or plant species or habitats. This includes:<br>• Restoration and conservation of native forest cover in degraded land and biodiversity, such as:<br>• Current activities and services required to restore and protect native forests (Permanent Preservation Areas, Legal Reserves | DNV is of the opinion that the eligibility criteria described may contribute to the following aspects:<br><br>Ecosystem Conservation: Native forests and biodiversity are crucial for maintaining ecosystem health. Restoring forests helps recover natural habitats, while conserving biodiversity maintains ecosystem complexity and functionality, promoting environmental stability. |

| | | |
|---|---|---|
| | and Natural Heritage Private Reserves);<br>• Acquisition of native Brazilian seedlings;<br>• Labor costs associated with planting native Brazilian seedlings, pest management, construction of fences, as required.<br>• Conservation of fauna through:<br>• Specialized facilities and services in studying and monitoring the behaviour of species;<br>• Forest restoration projects, planting native trees to enrich legal reserves, preservation areas and expand biodiversity corridors.<br>Labor and capital costs associated with creating ecological corridors and mosaics in nonnative plantations so they can serve as wildlife and flora habitat conservation. | Climate Change Mitigation: Native forests play a key role in carbon sequestration and climate regulation. Restoring these areas helps reduce $CO_2$ levels in the atmosphere, mitigating the effects of climate change and promoting climate resilience.<br>Water Resource Protection: Healthy forests are essential for protecting water resources by regulating hydrological cycles, preventing erosion, and maintaining water quality. This is crucial for the availability and quality of water for communities and industries. |
| **Climate Change Adaption** | Capital and operating expenses required for mitigating the consequences of climate change through adaptive measures, including activities related to assessing LDC's vulnerabilities and opportunities due to climate change and the means of improving the resilience of forestry, industrial and logistics operations, such as:<br>• Alternative green methodologies to fight forest pest, such as aerial spraying;<br>• Preventive operations to reduce risk of forest fires – innovations in planting methods, other risk reduction strategies. | DNV is of the opinion that the eligibility criteria described may contribute to the following aspects:<br>Risk Reduction: Climate change adaptation helps mitigate risks associated with extreme weather events such as floods, droughts, and storms. By implementing adaptive measures, businesses and investors can reduce exposure to damage and financial losses caused by these events.<br>Mitigation of Social and Economic Impacts: Climate adaptation helps minimize negative social and economic impacts, such as reduced agricultural productivity and infrastructure damage. This contributes to economic stability and community well-being.<br>Enhancement of Community Resilience: Adaptation strategies protect business operations and strengthen local communities' resilience, helping safeguard lives, property, and livelihoods against climate impacts. |

# SCHEDULE 2. GREEN LOAN/BOND ELIGIBILITY ASSESSMENT PROTOCOL

## 1. Use of Proceeds

| Ref. | Criteria | Requirements | DNV Findings |
|---|---|---|---|
| 1a | Type of Bond/Loan | The Loan / Bond must fall in one of the following categories, as defined by the Principles & Standards:<br><br>Eligible Green Categories:<br>• Clean Transportation;<br>• Renewable Energy;<br>• Green Grid Investments;<br>• Energy Efficiency;<br>• Green Buildings;<br>• Pollution Prevention and Control;<br>• Environmentally Sustainable Management of Living Natural Resources and Land Use;<br><br>Eligible Blue Categories:<br>• Sustainable Water and Wastewater Management.<br><br>Eligible Social Categories:<br>• Access to Essential Services;<br>• Socioeconomic Advancement and Empowerment;<br>• Health Services and Wellbeing;<br>• Digital Inclusion | DNV confirms that the Green Financing Framework (the "Framework") contains the information that the resources obtained with Green Finance Instruments made under the Framework will be used to finance or refinance, in whole or in part, existing and/or future Green Investments made by LDC, which meet the eligibility criteria described in the categories of eligible green investments. The Framework also contains the following excerpt:<br><br>**From the Framework**<br>*An amount equal to the net proceeds of Green Financing Instruments will be allocated to (i) the financing or refinancing, in whole or in part, new and/or existing Eligible Green Investments within the categories outlined below ("Eligibility Criteria").*<br>*Transactions related to Eligible Green Projects (as detailed below) will be subject to compliance with applicable laws and regulations and Company's internal policies. Additionally, the offering document for each Green Financing Instruments will specify which Eligible Categories below are included in the associated financing* |
| 1b | Green Project Categories | The cornerstones of Green Bonds/Loans are the utilization of the proceeds of the bonds or loans | DNV has reviewed the evidence submitted, and confirms that the Eligible Project Categories submitted by LDC this base year are as follows: |

| | | | |
|---|---|---|---|
| | | which should be appropriately described in the legal documentation for the security. | ***Eligible Green Categories***<br>• *Environmentally Sustainable Management of Living Natural Resources and Land Use;*<br>• *Conservation of Biodiversity;*<br>• *Climate Change Adaption.*<br><br>DNV expects the eligible projects to deliver positive environmental impact globally.<br><br>The Framework also strengthens the eligibility criteria for projects by including the exclusion list, as listed below:<br><br>***From the Framework***<br>*Exclusion list:*<br>• *Projects that use irregular and/or illegal practices involving child or youth labor, submit employees to degrading conditions or conditions analogous to slave labor;*<br>• *Projects in any project or activity that directly or indirectly violates the rights of indigenous peoples, and traditional peoples and communities;*<br>• *Projects whose business partners do not operate in compliance with Federal Law 12,846/2013 (Anticorruption Law);*<br>• *Projects related to the acquisition or generation of electricity based on fossil fuels or on coal or fuel oil heating systems; and*<br>• *Production or commercialization of any product or activity considered illegal under national or international laws or regulations, conventions and agreements signed by Brazil.* |

| | | | |
|---|---|---|---|
| 1c | Environmental Benefits | All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer. | DNV considers that the declared eligible projects will generate environmentally beneficial results, contributing to a low-carbon economy. Further details can be found in Schedule 1.<br><br>The Company undertakes to publicly report the contributions and impacts by means of quantitative indicators through an impact report, and will prepare on an annual basis a report to update investors on the allocation of the net proceeds of each Green Financing Instruments.<br><br>The details of the Company's impact report will be detailed in this Annex, in section 4a. |
| 1d | Refinancing Share | In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced. | In the Framework, the company has defined 48 months as the look-back period for its refinancing activities, which DNV considers to be in line with market practice<br><br>**From the Framework**<br>*Eligible projects, mergers and acquisitions will include both past and future expenditures, provided that past expenditures will have a lookback period starting on January 1st, 2021, when most investments in the LDC Plant started, and future expenses will have a look forward period of 48 months counted from the date when the Company receives the funding from any Green Financing Instrument.* |

## 2. Process for Project Selection and Evaluation

| Ref. | Criteria | Requirements | DNV Findings |
|---|---|---|---|
| 2a | Investment-Decision Process | The Issuer of a GREEN BOND should outline the decision-making process it follows to determine the eligibility of projects using GREEN BOND proceeds. This includes, without limitation:<br>• The environmental objectives of the eligible Green Projects;<br>• The process by which the issuer determines how the projects fit within the eligible Green Projects categories; and<br>• Complementary information on processes by which the issuer identifies and manages perceived environmental and social risks associated with the relevant project(s). | DNV can confirm that LDC has specified the eligibility criteria for each type of green project to be covered by the Use of Proceeds section of its Framework.<br><br>The company confirmed that there is a process for evaluating and selecting eligible projects.<br><br>The framework defines the process for selecting and evaluating eligible projects.<br><br>The Company will establish a dedicated Green Finance Committee ("the Committee") for evaluating and selecting the investments made with the proceeds of the Green Financing Instruments to ensure that they meet the scope established in the Framework. The Committee is composed of Sustainability Management, Treasury Management, Production Management and Forestry Management and will identify projects in conjunction with on the ground management that satisfy the Eligible Investment criteria set forth in the "Use of Proceeds" section.<br><br>The Committee will assess environmental and social risks, as well as positive impacts associated with financed projects, to ensure alignment with the sustainability priorities outlined in the Framework.<br><br>A list of Eligible Investment will be maintained in an ongoing pipeline that will be reviewed annually by the Committee.<br><br>In addition to the activities on the exclusion list, the allocation to controversial and high-emission sectors is not permitted by the framework.<br><br>Additional information on the Framework follows: |

| | | | |
|---|---|---|---|
| | | | **From the Framework**<br>*In addition, the Committee is responsible for (i) monitoring the portfolio of Eligible Investments, (ii) replacing projects that no longer meet the Eligibility Criteria set forth in this Framework with new Eligible Investments, if necessary, and (iii) validating of the annual Allocation Report, as described in Section 3.2.5 below.*<br>*The Company will ensure that Eligible Investments are not double counted for the purpose of allocation of proceeds.*<br><br>DNV concludes that LDC has clearly outlined the decision-making process required to determine the eligibility of the associated green projects. |
| 2b | Issuer Environmental and Governance Framework | Issuers are also encouraged to:<br>• Position the relevant information within the context of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability.<br>• Provide information, if relevant, on the alignment of projects with official or market-based taxonomies, related eligibility criteria<br>• Have a process in place to identify mitigants to known material risks of negative environmental and/or social impacts from the relevant project(s). | DNV concludes that, based on the information provided, the objective of the Framework aligns with LDC's approach to managing sustainability and supports the sustainable development of the sector.<br><br>The following are the main strategies and information from the Framework regarding the company's ESG performance. It is worth noting that the information is in line with other recent company's publications related to ESG performance, such as the 2024 Sustainability Report of Dexco and Lenzing:<br><br>**From the Framework**<br>*The Company is fostering and developing the sustainable use of base materials. The Company's dissolving wood pulp does not use chlorine derivatives in the bleaching process, which enables the process to be considered "TCF Total Chlorine Free", thus enabling the production of environmentally friendly fibers. Such fibers can be used in the production of technological and sustainable fabrics,* |

| | | | | |
|---|---|---|---|---|
| | | | *which can be adopted by clothing brands that take a responsible approach to protect the Nature.<br>Currently, the entire forest area that supplies the mill is FSC® - Forest Stewardship Council® (FSC-C165948). As LD Celulose is still in the process of leasing new areas, these new areas will also become certified when harvesting takes place. The company's plan is to have its entire plantation certified by 2028.<br>The planting and management of the forests are carried out by trained professionals that receive all the support from LDC to act in the best interest of the environment. The eucalyptus trees used by LDC in its plant is normally harvested at the age of seven, so the planting and cultivation process is always done with long-term planning.<br>All operations carried out by LDC are compliant to safety and environmental standards, follow good sustainability practices, and respect rights of traditional communities. These practices can be found in the company's policies and are formalized in the commitments that are verified annually through an extensive certification audit process following all the main standards (ISO 9001, ISO 14001, ISO 45001, FSC - COC (Chain of Custody) and FSC (Forest Management).<br>Through its internal policies and guidelines, the Company reinforces its commitment to the sustainable development of its business.<br>LD Celulose carries out a detailed Due Diligence process prior to signing any of its leases for the planting areas. During this Due Diligence, social, environmental, and operational aspects are evaluated and if something is not aligned with the Company's policies, the contract can be rejected and/or cancelled.<br>Therefore, the Company operates with good corporate social responsibility practices, by adopting attitudes, behaviors and actions that promote the well-being of its neighbors. To that end, the Company seeks to implement social and environmental programs and projects in its sphere of* | |

| | | | |
|---|---|---|---|
| | | | *influence, in the fields of health, education and income.* |

## 3. Management of Proceeds

| Ref. | Criteria | Requirements | DNV Findings |
|---|---|---|---|
| 3a | Tracking Procedure | (Bond) The net proceeds of Green Bonds should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the Issuer in an appropriate manner and attested to by a formal internal process that will be linked to the Issuer's lending and investment operations for Green Projects. | The Framework shows how the company plans to monitor the allocation of resources:<br><br>**From the Framework**<br>*The net proceeds obtained through any Green Financing Instrument used by the Company will be monitored continuously while those instruments are outstanding. LDC's treasury team will be responsible to allocate and track an amount equal to the net proceeds, and the Committee will be responsible for controlling the allocation of resources to ensure compliance with the ESG criteria defined in this Framework.*<br><br>*The funds raised will be monitored continuously through to the maturity of each Green Financing Instrument, and if any of the Eligible Investment fails to meet the eligibility criteria described above, the Company will, within 12 months, redirect the funds to other Eligible Investment.*<br>DNV concludes that the Framework outlines a formal internal process and LDC commits to tracking the use of resources appropriately. |
| 3b | Tracking Procedure | So long as the Green Bonds or Loans are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts | As already mentioned in the "Use of Proceeds" section of this schedule: |

| | | | |
|---|---|---|---|
| | | matching eligible green investments or loan disbursements made during that period. | **From the Framework**<br>*An amount equal to the net proceeds of each Green Financing Instrument will be allocated to (1) refinance Investments made by the company starting on January 1st, 2021, when most investments in the LDC Plant started, and (2) finance projects during the 48 months after the date of issuance.* |
| 3c | Temporary Holdings | Pending such investments or disbursements to eligible Green Projects, the Issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds. | The Framework clearly establishes how to manage temporary allocations:<br>**From the Framework**<br>*Temporarily unallocated resources will be kept in the form of cash, cash equivalents, low-risk liquid deposits, or other instruments (government bonds or financial institutions rated A by the major risk agencies) that do not have a negative impact on the climate, in accordance with the Company's investment guidelines.* |

## 4. Reporting

| Ref. | Criteria | Requirements | DNV Findings |
|---|---|---|---|
| 4a | Periodical Reporting | • Issuers should make, and keep, readily available up to date information on the use of proceeds to be renewed annually until full allocation, and on a timely basis in case of material developments.<br>• The annual report should include a list of the projects to which GREEN BOND proceeds have been allocated, as well as a brief description of the projects, the amounts allocated, and their expected impact.<br>• Where confidentiality agreements, competitive considerations, or many underlying projects limit the amount of detail that can be made available, the GBP recommend that information is presented in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories). | Information on the allocation of resources to projects and environmental impact indicators will be disclosed annually by the Company through an Allocation and Impact Report. The reports will be public and will be available on the company's website.<br>DNV considers it appropriate to disclose these reports at least annually and stresses the importance of external verification of these documents.<br>The report on allocations will include the respective **financial indicators**:<br>• The Eligible Investments list with a brief investment or project description;<br>• The number of Green Financing Instruments outstanding and their balance;<br>• The percentage of net proceeds allocated to each Eligible Investment;<br>• The share of net proceeds used for financing compared to refinancing; and<br>• The outstanding amount of net proceeds to be allocated to Eligible Investment at the end of each reporting period.<br>Potential **impact indicators** by category are:<br>**<u>Use of Proceeds Category</u>**<br>**Environmentally Sustainable Management of Living Natural Resources and Land Use**: |

| | | | |
|---|---|---|---|
| | | | Number of trees/seedlings/shrubs planted and/or planting area.**Landscape conservation/restoration (Legal reserve and preservation area managed)**<br><br>• Number of studies conducted (fauna/flora), number of species found (fauna/flora), number of seedlings planted and/or number of hectares restored.<br><br>**Climate Change Adaption**<br><br>• Area monitored (in hectares), number of people and equipment mobilized, and/or number of people reached in fire prevention campaigns. |

WHEN TRUST MATTERS

**About DNV**
Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers’ decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight. With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener group. 

# DNV_SPO_LD_301025_Ing

Final Audit Report 2025-10-30

| | |
|---|---|
| Created: | 2025-10-30 |
| By: | Gabriel Hespanhol (Gabriel.Hespanhol@dnv.com) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAApgb7dI2AsFCOC50MkwhxK6caS97CJVYd |

## "DNV_SPO_LD_301025_Ing" History

Document created by Gabriel Hespanhol (Gabriel.Hespanhol@dnv.com)
2025-10-30 - 2:18:50 PM GMT- IP address: 147.161.128.105

Document emailed to mayara.oliveira@dnv.com for signature
2025-10-30 - 2:24:47 PM GMT

Document emailed to juan.salido@dnv.com for signature
2025-10-30 - 2:24:47 PM GMT

Document emailed to elisa.dias@dnv.com for signature
2025-10-30 - 2:24:47 PM GMT

Document emailed to suyla.beraldo@dnv.com for signature
2025-10-30 - 2:24:47 PM GMT

Email viewed by suyla.beraldo@dnv.com
2025-10-30 - 2:27:38 PM GMT- IP address: 52.102.17.101

Signer suyla.beraldo@dnv.com entered name at signing as Suyla Beraldo
2025-10-30 - 2:28:30 PM GMT- IP address: 181.174.104.166

Document e-signed by Suyla Beraldo (suyla.beraldo@dnv.com)
Signature Date: 2025-10-30 - 2:28:32 PM GMT - Time Source: server- IP address: 181.174.104.166

Email viewed by elisa.dias@dnv.com
2025-10-30 - 2:33:47 PM GMT- IP address: 168.121.98.182

Email viewed by mayara.oliveira@dnv.com
2025-10-30 - 2:35:01 PM GMT- IP address: 179.93.51.209

Signer mayara.oliveira@dnv.com entered name at signing as Mayara Oliveira
2025-10-30 - 2:35:41 PM GMT- IP address: 179.93.51.209

Document e-signed by Mayara Oliveira (mayara.oliveira@dnv.com)

Signature Date: 2025-10-30 - 2:35:43 PM GMT - Time Source: server- IP address: 179.93.51.209

Email viewed by juan.salido@dnv.com

2025-10-30 - 2:39:06 PM GMT- IP address: 87.58.86.112

Signer juan.salido@dnv.com entered name at signing as Juan A. Salido

2025-10-30 - 2:39:47 PM GMT- IP address: 87.58.86.112

Document e-signed by Juan A. Salido (juan.salido@dnv.com)

Signature Date: 2025-10-30 - 2:39:49 PM GMT - Time Source: server- IP address: 87.58.86.112

Signer elisa.dias@dnv.com entered name at signing as Elisa Pales Dias

2025-10-30 - 2:43:05 PM GMT- IP address: 168.121.98.182

Document e-signed by Elisa Pales Dias (elisa.dias@dnv.com)

Signature Date: 2025-10-30 - 2:43:07 PM GMT - Time Source: server- IP address: 168.121.98.182

Agreement completed.

2025-10-30 - 2:43:07 PM GMT