

CLARIFICATION NOTE

From: Biofilica Ambipar
To: World Rainforest Movement

The report published by World Rainforest Movement entitled “REDD and the Green Economy exacerbate oppression and deforestation in Pará, Brazil”, mentions Biofilica Ambipar, the Jari Group and Agropalma without giving any opportunity for the companies’ clarification and did not previously contact the companies for comment.

Biofilica Ambipar states it is not engaged and never was in any kind of deforestation or logging operation in Amazon or any other place. The company does not have or had any partnership with companies doing illegal actions in the rainforest. On the contrary – the company was founded with conservation at its core, implementing Nature-based Solutions that contribute to reducing deforestation.

Unlike what was published by World Rainforest Movement, the company has never oppressed local communities in its credit carbon projects and has never replaced nut trees with eucalyptus trees. The organization World Rainforest Movement uses “anonymous sources” for stating this information, providing no type of evidence for its claims.

Biofilica Ambipar would like to emphasize that all our projects follow FPIC procedures (Free, Prior and Informed Consent) as part of our project validation process. All FPIC activities and comments are made publicly available on the project’s registry at www.registry.verra.org.

One of the biggest Latin American REDD+ projects, the REDD+ Jari Pará project is developed according to Brazilian laws, with due respect for local communities and the environment. The illegal deforestation that currently occurs in the region is caused by land grabbers for the installation of subsistence agriculture and by small-scale farmers for agricultural crops, grazing and property boundary demarcation.

Jari Celulose is not being investigated, or even accused of any type of crime or misconduct as mentioned in the World Movement for Tropical Forests' text. All of Jari Celulose's actions and programs comply with Brazilian legislation, and its operations in the region contribute to the conservation of the forest.

Judgment by the District of Monte Dourado (Almeirim-PA), dated December 17, 2021, confirms that Jari Celulose has the ownership of the land where it is located and develops its activities. The Court goes further and states that the presence of Jari Celulose in the

region represents effective social gains, with the generation of new jobs, a positive impact on the local economy, among countless other gains.

Through the Jari Foundation, Jari Celulose's social project, local producers are encouraged to adopt sustainable food production practices that feed their families and communities and lead to their income generation, with a focus on keeping the forest intact and standing. More than 130,000 people benefit from Jari's actions.

Agropalma reinforces that all of its lands were acquired in good faith from their legitimate owners and possessors, including proof of documentation by the competent bodies at the time of acquisition. Contrary to the irresponsible accusation in the report, the company was never convicted of land grabbing. The legitimacy of the lands was attested by several investigations that never found any participation by the company in this type of crime.

Unfortunately, decades after the purchase, notary's failures that compromised the declaration of the land documentation of some properties were found. As soon as the company became aware of the problem, Agropalma took the decision to call the competent bodies and asked for registrations' cancellation, in addition to starting the land regularization process, as determined by law. The cancellation of these registrations does not prevent the broad exercise of ownership by Agropalma under any circumstances .

The relationship with communities is at the heart of Agropalma's sustainability strategy. In this sense, we firmly assure that there has never been any kind of persecution or threats against the local communities. The company has a duty to ensure the environmental preservation of the areas under its responsibility, in compliance with national legislation, which prohibits hunting in permanent preservation areas (APPs) and legal reserves.

Throughout its history, the company has always respected the rights of social movements and talked to the most diverse communities, with an ethical and transparent posture in line with the sustainability values that are in the company's DNA.

Regarding the expansion of the renewable energy business, Agropalma is reactivating a small biodiesel plant which objective is to use residues from the refining process.

Founded in 2008, Biofilica Ambipar was awarded five times by Environmental Finance for its credit carbon projects in Brazil. The company became a national reference in forest conservation, supplying solutions for a harmonic symbiosis between rainforest and social development.

Lastly, we would like to make an open invitation to World Rainforest Movement to come visit our projects and understand the reality on the ground. We strongly believe any carbon project should be implemented with high social and environmental integrity principles, including that of information transparency. However, we cannot abide by the publication of

false information, and remain available for providing additional information on the reality of our projects.

NOTE: The companies demand this note to be published on the report.