

Special-Purpose Financial Information

Brazilian Biodiversity Fund – FUNBIO

For the period from January 1 to December 31, 2024
Accompanied by the Independent Auditor's Report
on the Special-Purpose Financial Information
under the "Global Environment Facility (GEF) Agency Agreement"

Brazilian Biodiversity Fund – FUNBIO

The Special-Purpose Financial Information under the GEF Agency Agreement

For the period from January 1 to December 31, 2024

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(A free translation of the original in Portuguese)

Report of the independent auditor on the special purpose financial information of the Global Environment Facility (GEF) Agency Agreement

To the Executive Secretariat and the Deliberative Council of the
Brazilian Fund for Biodiversity - FUNBIO
Global Environment Facility (GEF) Agency Agreement

Rio de Janeiro - RJ

Opinion

We have audited the accompanying financial statements from the Global Environment Facility (GEF) Agency Agreement ("Project"), managed by the Brazilian Fund for Biodiversity - FUNBIO ("Entity"), the project is funded by the Global Environment Facility (GEF) ("Funder"), for the period from January 1st, 2024 to December 31, 2024, as well as the corresponding explanatory notes, including the material accounting policies (together referred to as "Project's special purpose financial information").

In our opinion, the Project's special purpose financial information for the period January 1st, 2024 to December 31, 2024, referred to above, has been prepared, in all material respects, in accordance with the accounting basis of receipts and payments described in Note 2.

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, 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

Basis for the preparation of the Project's special purpose financial information and restriction on distribution or use

We call attention to Note 2 to the specific purpose financial information of the Project, which describes its basis for its preparation. This special purpose financial information has been prepared for the specific purpose of meeting the requirements of the contract signed between the Entity and the Project Funder.



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Consequently, the Project's special purpose financial information may not be suitable for other purposes. Such special purpose financial information, therefore, does not represent a complete financial statement in accordance with the accounting practices adopted in Brazil, or with other general purpose accounting practices. In this context, our report is intended solely for the use of the Entity's management and the Project Funder, who are familiar with such specific purposes and criteria and should not be distributed or used by parties other than those mentioned. Our opinion is not qualified in relation to this matter.

Other subjects

Amounts corresponding to the previous year

The examination of the Project's special purpose financial information for the year ended December 31, 2023, was conducted under the responsibility of other independent auditors, who issued an audit report, dated May 29, 2024, without qualifications.

Management and governance responsibilities for the Project's special-purpose financial information

The Entity's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices adopted in Brazil and the accounting basis of receipts and payments described in Note 2. This includes determining that the accounting basis of receipts and payments is an acceptable basis for the preparation of the special purpose financial information in the circumstances, as well as for the internal controls that it has determined are necessary to enable the preparation of special purpose financial information free from material misstatement, regardless of whether caused by fraud or error.

In preparing the Project's special purpose financial information, management is responsible for assessing the Entity's ability to continue operating and disclosing where applicable matters relating to its business continuity and the use of that accounting basis in the preparation of Project special purpose financial information, unless management intends to liquidate the Entity or cease operations or has no realistic alternative to avoid shutting down operations.

Those responsible for the governance of the Entity are those responsible for overseeing the process of preparing the Project's special-purpose financial information.

Auditor Responsibilities for Auditing Project Special Purpose Financial Information

Our objectives are to obtain reasonable assurance that the Project's special purpose financial information, taken together, 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 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 these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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 Entity'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 Project's special purpose financial statements 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 auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance about, among other things, the scope and timing of planned audit engagements and significant audit findings, including significant deficiencies in internal controls that may have been identified during our engagements.

Rio de Janeiro, June 26, 2025

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/F-5

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Daniel Naves Marteletto
Signed By: DANIEL NAVES MARTELETTO/06260972660
CPF: 06260972660
Signing Time: 15 de julho de 2025 | 15:43 BRT
O: KPM - Brasil, OU: PricewaterhouseCoopers
C: BR

Daniel Naves Marteletto
Counter CRC 1MG105346/O-2

Brazilian Biodiversity Fund – FUNBIO

The Special-Purpose Financial Information under the GEF Agency Agreement

For the period from January 1 to December 31, 2024

(In thousands of Brazilian reais, unless otherwise stated)

The movement of funds under the GEF Agency Agreement during the period from January 1 to December 31, 2024, is presented below:

	Notes	GEF Agency – FUNBIO	Pró Espécies – Grant	Baru – Grant	Territórios – PPG	Living Amazon	GBFF Indigenous Peoples	Total – GEF Agency
Project Balance at the Beginning of the Period		1,675	21,868	3,840	505	–	–	27,888
Funds Received (*)	4	2,326	7,120	1,527	–	594	8,550	20,117
Net Investment Income (**)	3	206	1,445	281	35	33	106	2,106
Financial Expenses	3	(12)	(33)	(8)	(1)	(1)	(33)	(88)
Transfer Between Accounts		–	–	–	–	–	–	–
Donor Transfer (****)	6	–	(1,108)	(196)	(29)	(8)	–	(1,341)
FUNBIO Costs	5	(284)	–	–	–	–	–	(284)
FUNBIO Transfer (Appropriation)	5	(960)	–	–	–	–	–	(960)
Funds Disbursed	5	–	(18,601)	(2,586)	(173)	(33)	–	(21,393)
Project Balance at End of Period		2,951	10,691	2,859	337	585	8,623	26,046

(*) Since 2023, in accordance with a GEF regulation, all funds have been deposited into FUNBIO's Administrative Account (112001-8) and subsequently allocated to the respective project accounts.

(**) This amount refers to investment income, net of income tax to be withheld upon redemption by FUNBIO.

(****) This refers to a portion of the investment income, net of income tax, that was returned to the donor in accordance with the terms of the agreement.

The accompanying notes are an integral part of this special-purpose financial information.

Brazilian Biodiversity Fund – FUNBIO

The Special-Purpose Financial Information under the GEF Agency Agreement

For the period from January 1 to December 31, 2024

(In thousands of Brazilian reais, unless otherwise stated)

The movement of funds under GEF Agency Agreement during the period from January 1 to December 31, 2023, is presented below:

	Notes	GEF Agency – FUNBIO	Pró Espécies – Grant	Baru – PPG	Baru – Grant	Territórios – PPG	Total – GEF Agency
Project Balance at the Beginning of the Period		912	19,410	277	–	–	20,599
Funds Received (*)	4	1,547	20,419	–	5,645	495	28,106
Net Investment Income (**)	3	94	863	4	72	13	1,046
Financial Expenses	3	(7)	(84)	(9)	(23)	(2)	(125)
Transfer Between Accounts		–	–	(2)	2	–	–
Donor Transfer (****)	6	–	(1,400)	–	–	–	(1,400)
FUNBIO Costs	5	(151)	–	–	–	–	(151)
FUNBIO Transfer (Appropriation)	5	(720)	–	–	–	–	(720)
Funds Disbursed	5	–	(17,339)	(270)	(1,855)	–	(19,464)
Project Balance at End of Period		1,675	21,869	–	3,841	506	27,891

(*) Since 2023, in accordance with a GEF regulation, funds for the Pró Espécies Grant, BARU Grant, and Territórios Preparation projects have been deposited into FUNBIO's Administrative Account (112001-8) and subsequently transferred to each project's designated account.

(**) This amount refers to investment income, net of income tax to be withheld upon FUNBIO's redemption.

(***) This refers to a portion of the investment income, net of income tax, that was returned to the donor in accordance with the terms of the agreement.

The accompanying notes are an integral part of this special-purpose financial information.

1. Operating Context

The Brazilian Biodiversity Fund (“Entity” or “FUNBIO”) is a private, national, non-profit organization that partners with government agencies, the business sector, and civil society to channel strategic and financial resources into effective biodiversity conservation initiatives. Its headquarters are located at Rua Voluntários da Pátria, No. 286, 5th and 6th floors, Botafogo, Rio de Janeiro-RJ, and it maintains an office in Brasília-DF, located at SHN Quadra 2, Block F, Executive Office Tower, rooms 1323 to 1326, Asa Norte.

FUNBIO’s main activities include financial management of projects and funding resources, development of financial mechanisms, research into new sources of conservation financing, and procurement of goods and services. The organization is accredited as an implementing agency of the Global Environment Facility (GEF) and the Green Climate Fund (GCF).

The Global Environment Facility (GEF) was established in 1991 as a pilot program under the World Bank and was later linked to the Convention on Biological Diversity, which was signed at the Rio Earth Summit in 1992. It became an independent entity in 1994.

Funds managed by the GEF Agency are available to developing countries and economies in transition to help them meet the goals of international environmental conventions and agreements. These resources are channeled through GEF-accredited agencies. FUNBIO is the only national agency in Brazil accredited by the GEF, and one of only three worldwide.

The tables below distinguish between funds advanced to FUNBIO for proposal preparation and administrative expenses, and those allocated directly to approved projects.

GEF Agency – FUNBIO

The creation of the GEF Agency within FUNBIO makes it possible to support interested institutions—especially the Ministry of the Environment and the Ministry of Science, Technology, Innovation and Communications—in preparing and adapting projects for submission to the GEF.

GEF Agency – Pró Espécies

The project began in August 2018 and has since been under regular supervision. Progress toward its goals has been monitored and it was concluded that, although some activities are behind schedule, most are progressing ahead of expectations, placing the project at a satisfactory level of implementation.

GEF Agency – Baru

The project was approved in May 2022 and aims to promote baru as a tool for both conservation and income generation in the Cerrado biome. It will strengthen the network of producers and support the empowerment of traditional peoples and communities who depend on the species for work and income. The initiative also supports the development of a fair and inclusive market, ensuring the sustainable management of baru nuts with lower environmental impact and greater income generation.

GEF Agency – Biodiversity Territories Project

The “Biodiversity Territories” project was approved in June 2023 and is currently in the preparation phase. Its objective is to enhance biodiversity conservation across integrated and marine landscapes. The project will operate in the most critical areas for species conservation in Brazil, based on the Red List of Threatened Species. Emphasis will be placed on non-Amazon biomes, as they harbor the majority of the country’s threatened species.

GEF Agency – Living Amazon

NATURA, VERT Securitizadora (a securitization company), and the Brazilian Biodiversity Fund (FUNBIO) have joined forces to implement the Living Amazon Financing Mechanism aimed at strengthening organizations, businesses, and socio-biodiversity value chains in Amazonian territories.

Living Amazon is a blended finance mechanism composed of a credit vehicle and a non-reimbursable investment fund, both aligned under the same governance process.

The mechanism operates through two main instruments: the first is structured as an Agribusiness Receivables Certificate (CRA) managed by VERT, one of the country’s leading securitization firms. This instrument provides annual financing to cooperatives and socio-biodiversity associations in the Amazon, primarily serving as working capital for seasonal harvests, thereby enhancing operational efficiency and boosting productivity. The second instrument is a non-reimbursable philanthropic fund called the Enabling Conditions Facility (ECF), managed by FUNBIO. The ECF strategically invests in capacity building for cooperatives and associations, conservation initiatives, and other activities that strengthen socio-biodiversity value chains and the communities they serve, with particular emphasis on youth and women.

The key feature of the Living Amazon Mechanism is the immediate involvement of a major buyer—Natura—investing in the financial operation and purchasing socio-biodiversity raw materials. The expectation is that over the next 10 years, Living Amazon will drive sustainable economic development across 16 territories and benefit more than 10,000 families in the region.

The Brazilian Amazon accounts for 28% of the world’s tropical forests. However, the region contributes less than 1% to the global market—valued at USD 175 billion—for forest-compatible products. Brazil’s socio-biodiversity sector needs productive capacity, technology, knowledge, infrastructure, and financing. The Living Amazon Financing Mechanism was developed to strengthen these aspects within the region’s socio-biodiversity value chains.

GEF Agency – GBFF Indigenous Peoples

The main goal of this project is to restore, protect, and preserve the biodiversity of Indigenous lands. Its focus is entirely on supporting Indigenous communities and their territories. The project’s strategy and innovation lie in the central role played by Indigenous communities themselves, who act as the primary implementers on the ground. Support will be provided directly to Indigenous-led organizations—wherever they are present and show readiness and capacity—as well as to local NGOs specializing in Indigenous issues. With this approach, Indigenous peoples are both the drivers of project activities and the main beneficiaries of its results.

Aligned with Brazil’s National Policy for the Territorial and Environmental Management of Indigenous Lands (PNGATI), the project adopts the Territorial and Environmental Management

Plans (PGTAs) as its core planning tool. These plans are not just developed, but co-created through participatory processes that honor the culture of each Indigenous group, with valuable support from civil society organizations (CSOs) and government institutions.

The project also maintains a direct link with PNGATI's steering committee, ensuring it reaches Indigenous organizations across Brazil and that the lessons learned are widely shared. At the local level, it will strengthen territorial management committees so they can play an active advisory role throughout the project's implementation.

This approach ensures Indigenous peoples are engaged at all levels of coordination and recognizes the importance of their knowledge and leadership. Special attention is given to the participation of women and youth—both in decision-making and throughout the project's execution and benefits.

2. Material Accounting Practices

Basis of Preparation and General Information

The Special-Purpose financial information has been prepared on a cash basis of accounting, whereby revenues are recorded upon the receipt of funds and expenses recognized when actually paid in cash. The project is funded by the Global Environment Facility (GEF), with FUNBIO acting as the initiative's managing partner. This accounting practice differs from the accounting principles generally accepted in Brazil, under which transactions are recognized when incurred rather than when paid.

The Entity's management approved the issuance of this special-purpose financial information on June 26, 2025.

Available Funds

Available funds primarily consist of checking account balances and other investments allocated to meet the project's cash flow requirements.

Monetary Unit

This Special-Purpose financial information is presented in Brazilian reais, which is FUNBIO's functional currency. All financial information has been rounded to the nearest thousand reais, unless otherwise stated.

Funds Disbursement

Expenses are recognized at cost when incurred.

Brazilian Biodiversity Fund – FUNBIO

Explanatory Notes to the Special-Purpose Financial Information under the GEF Agency Agreement
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(In thousands of Brazilian reais, unless otherwise stated)

3. Available Funds

The bank account balance for the period from January 1 to December 31, 2024, is detailed as follows:

GEF Agency – FUNBIO

Description	Type	2024	2023
Banco do Brasil – LT FI, Corp 29149-8	Financial investment	2,951	1,675

For the period from January 1 to December 31, 2024, financial investment income totaled BRL 206 (2023 – BRL 94), and financial expenses amounted to BRL 12 (2023 – BRL 7).

The financial investments are held in a Long-Term Corporate Fixed Income Fund that yielded 100.32% of the CDI. These investments have no fixed maturity date and carry negligible risk of impairment. The investments are held with a top-tier financial institution.

Pró Espécies Grant Project

Description	Type	2024	2023
Banco do Brasil – LT FI, Corp 23533-4	Financial investment	10,691	21,869
Total Available Funds		10,691	21,869

For the period from January 1 to December 31, 2024, income from financial investments totaled BRL 1,445 (2023 – BRL 863), and financial expenses amounted to BRL 33 (2023 – BRL 33).

The financial investments are held in a Long-Term Corporate Fixed Income Fund that yielded 100.32% of the CDI. These investments have no fixed maturity date and carry negligible risk of impairment. They are held with a top-tier financial institution.

Baru Grant Project

Description	Type	2024	2023
Banco do Brasil – LT FI, Corp 26983-2	Financial investment	2,859	3,841
Total Available Funds		2,859	3,841

For the period from January 1 to December 31, 2024, income from financial investments totaled BRL 281 (2023 – BRL 4), and financial expenses amounted to BRL 8 (2023 – BRL 9).

Brazilian Biodiversity Fund – FUNBIO

Explanatory Notes to the Special-Purpose Financial Information under the GEF Agency Agreement
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The financial investments, held in Bank Deposit Certificates (CDBs), offer returns of 96% of the CDI, with maturities of up to 60 months and a negligible risk of impairment. The investments are held with a top-tier financial institution.

Territórios Preparation Project (PPG)

Description	Type	2024	2023
Banco do Brasil – LT FI, Corp 28093-3	Financial investment	337	506
Total Available Funds		337	506

For the period from January 1 to December 31, 2024, income from financial investments totaled BRL 35 (2023 – BRL 13), and financial expenses amounted to BRL 1 (2023 – BRL 2).

The financial investments, held in Bank Deposit Certificates (CDBs), offer returns of 96% of the CDI, with maturities of up to 60 months and a negligible risk of impairment. The investments are held with a top-tier financial institution.

Living Amazon Project

Description	Type	2024	2023
Banco do Brasil – LT FI, Corp 28892-6	Financial investment	585	–
Total Available Funds		585	–

For the period from January 1 to December 31, 2024, income from financial investments totaled BRL 33, and financial expenses amounted to BRL 1.

The financial investments, held in Bank Deposit Certificates (CDBs), offer returns of 96% of the CDI, with maturities of up to 60 months and a negligible risk of impairment. The investments are held with a top-tier financial institution.

Brazilian Biodiversity Fund – FUNBIO

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GBFF Indigenous Peoples Project

Description	Type	2024	2023
Itaú – LT FI, Corp	Financial investment	8,623	–
Total Available Funds		8,623	–

For the period from January 1 to December 31, 2024, income from financial investments totaled BRL 106, and financial expenses amounted to BRL 33.

The financial investments, held in Bank Deposit Certificates (CDBs), offer returns of 96% of the CDI, with maturities of up to 60 months and a negligible risk of impairment. The investments are held with a top-tier financial institution.

4. Funds Inflow

The total funds received during the periods from January 1 to December 31, 2024 and 2023, were as follows:

Project	2024	2023	Cumulative (*)
GEF - FUNBIO Agency (CA 29149-8)	2,326	1,547	7,929
Pró Espécies Preparation Project (PPG) (CA 129150-5)	–	–	945
Pró Espécies Grant Project (CA 23533-4)	7,120	20,419	65,314
BARU Preparation Project (PPG) (CA 26983-2)	–	–	7,172
BARU Grant Project (CA 26983-2)	1,527	5,645	5,623
Territórios Preparation Project (PPG) (CA 28093-3)	–	495	495
Living Amazon Preparation Project (PPG) (CA 28892-6)	594	–	594
GBFF Indigenous Peoples Project (CA 16839466)	8,550	–	8,550
Total Inflows	20,117	28,106	96,622

(*) Cumulative amount refers to the period from August 26, 2016 to December 31, 2024.

Brazilian Biodiversity Fund – FUNBIO

Explanatory Notes to the Special-Purpose Financial Information under the GEF Agency Agreement
For the period from January 1 to December 31, 2024
(In thousands of Brazilian reais, unless otherwise stated)

5. Funds Disbursement

The disbursement of funds under the “GEF Agency” for the period from January 1 to December 31, 2024, is presented below:

Disbursement Type	2024	2023	Cumulative (*)
Pró Espécies Preparation Project (PPG)	–	–	(907)
Pró Espécies Grant Project	(18,601)	(17,340)	(55,552)
Baru Preparation Project (PPG)	–	(270)	(270)
Baru Grant Project	(2,586)	(1,855)	(3,305)
Territórios Preparation Project (PPG)	(173)	–	(173)
Living Amazon Project	(33)	–	(33)
Total Disbursed Funds	(21,393)	(19,465)	(61,376)
FUNBIO Costs	(284)	(151)	(816)
FUNBIO Transfer (Revenue)	(960)	(720)	(5,307)
Total FUNBIO Transfers (**)	(1,244)	(871)	(6,123)
Total Disbursed Funds	(22,637)	(20,336)	(67,499)

(*) The cumulative amount refers to the period from August 26, 2016 to December 31, 2024.

(**) This amount refers to the transfer made by the project to FUNBIO to cover indirect costs, pursuant to the maximum percentage and eligible cost categories established in the donor agreement.

6. Donor Transfer

The net investment income returned to the donor, net of income tax, for the period from January 1 to December 31, 2024, is presented below:

PRÓ ESPÉCIES GRANT

Period	2024		
	(in USD)	Exchange rate (*)	(in BRL)
July to December 2023 – completed on March 11, 2024	(83)	5.7030	(412)
January to June 2024 – completed on August 28, 2024	(126)	5.5420	(696)
Total Transfers to Donor	(209)		(1,108)

Brazilian Biodiversity Fund – FUNBIO

Explanatory Notes to the Special-Purpose Financial Information under the GEF Agency Agreement
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(In thousands of Brazilian reais, unless otherwise stated)

BARU GRANT

Period	(in USD)	2024	
		Exchange rate (*)	(in BRL)
July to December 2023 – completed on March 11, 2024	(15)	5.7030	(73)
January to June 2024 – completed on August 28, 2024	(22)	5.5420	(123)
Total Transfers to Donor	(37)		(196)

TERRITÓRIOS Preparation Project Grant (PPG)

Period	(in USD)	2024	
		Exchange rate (*)	(in BRL)
July to December 2023 – completed on March 11, 2024	(3)	5.7030	(13)
January to June 2024 – completed on August 28, 2024	(3)	5.5420	(16)
Total Transfers to Donor	(6)		(29)

LIVING AMAZON Preparation Project Grant (PPG)

Period	(in USD)	2024	
		Exchange rate (*)	(in BRL)
January to June 2024 – completed on August 28, 2024	(1)	5.5420	(8)
Total Transfers to Donor	(1)		(8)

(*) The exchange rate shown corresponds to the rate applied at the time the funds were remitted. BRL amounts are based on the official exchange closing statement issued for each transfer.



Memorandum on the fulfillment of the contractual clauses of an accounting and financial nature of the Global Environment Facility (GEF) Agency Agreement


To the Executive Secretariat and the Deliberative Council of the
Fundo Brasileiro para a Biodiversidade - FUNBIO
Global Environment Facility (GEF) Agency Agreement
Rio de Janeiro - RJ

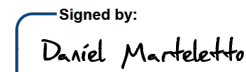
We have audited the financial statements for the period from January 1 to December 31, 2024 of the Global Environment Facility (GEF) Agency Agreement ("Project"), managed by the Fundo Brasileiro para a Biodiversidade - FUNBIO ("Entity"), the project is funded by the Global Environment Facility (GEF) ("Financier") and we issue our report corresponding to it, dated June 26, 2025.

We carry out our audit in accordance with international auditing standards and the requirements of the contract entered into between the Entity and the project is funded by the Global Environment Facility (GEF). These rules require due planning and performance of the audit so that we can obtain reasonable certainty that FUNBIO has complied with the clauses pertinent to the contract entered into between the Entity and the project is funded by the Global Environment Facility (GEF). The audit includes the examination, based on samples, of the evidence judged by us to be appropriate. Thus, we consider that our audit provides a reasonable basis for our opinion.

Based on the procedures carried out for the period from January 1 to December 31, 2024, we are not aware of any situations that lead us to believe that FUNBIO has not complied with the applicable contractual clauses, of an accounting and financial nature, of the contract entered into between the Entity and the project is funded by the Global Environment Facility (GEF).

Rio de Janeiro, June 29, 2025


PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/F-5

Signed by:

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Daniel Naves Marteletto
Counter CRC 1MG105346/O-2



**Report of recommendations for improvement
of internal controls prepared in connection with
the special purpose financial information of the Project
Global Environment Facility (GEF) Agency Agreement**

June 29, 2025

To the Executive Secretariat and the Deliberative Council of the
Brazilian Biodiversity Fund – FUNBIO
Project Global Environment Facility (GEF) Agency Agreement
Rio de Janeiro - RJ

This report is complementary to our report on the Project Global Environment Facility (GEF) Agency Agreement.

Dear Sirs,

In connection with the examination of the special purpose financial information of the Project Global Environment Facility (GEF) Agency Agreement ("Project") on December 31, 2024, conducted in accordance with the accounting practices adopted in Brazil and for the purpose of expressing an opinion on such financial information, we present our report with recommendations for the improvement of internal controls.

In our examination, we selected audit procedures for the purpose of obtaining evidence regarding the amounts and disclosures presented in the special purpose financial information. Among these procedures, we obtained an understanding of the entity and its environment, which includes the internal control of the Brazilian Biodiversity Fund – FUNBIO ("Entity"), for the identification and assessment of the risks of material misstatement in financial information, regardless of whether caused by fraud or error. In assessing these risks, under the auditing standards, the auditor considers the internal controls relevant to the preparation and proper presentation of financial information, for the purpose of planning the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these internal controls of the Entity. Thus, although we do not express an opinion or conclusion about the Entity's internal controls, we present recommendations for the improvement of internal controls resulting from the findings made in the course of our work.

The Management of the Entity is responsible for the internal controls determined by it as necessary to enable the preparation of financial information without material misstatement, regardless of whether caused by fraud or error. In fulfilling this responsibility, the Management makes estimates and makes decisions to determine the costs and the corresponding expected benefits with the implementation of internal control procedures.

Internal governance in the context of auditing standards is defined as the process planned, implemented and maintained by those responsible for governance, management and other employees to provide reasonable assurance as to the achievement of the Entity's objectives with respect to the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. Internal control deficiency exists when: (i) the control is planned, implemented or operated in such a way that it fails to prevent, or detect and correct in a timely manner, misstatements in financial information; or (ii) it lacks a control necessary to prevent, or detect and



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June 29, 2025

correct in a timely manner, misstatements in financial information.

The audit procedures have been performed on a test basis, for the sole purpose mentioned in the first paragraph, and therefore these do not necessarily allow us to disclose all significant deficiencies in the Entity's internal controls. In the course of our work carried out on a test basis, we did not identify the need for improvements that should be made to the revised in the accounting or internal control systems. New evaluations or studies, in connection with future specific and detailed examinations or revisions, may eventually reveal other aspects that can be improved.

This report is intended solely for the information and use of the Management and others authorised by the Entity and has not been prepared for use or presented to third parties outside the organisation.

We take this opportunity to express our gratitude for the cooperation given to us by the Management and by employees of the Entity during the period of our work.

Best regards,

A large, stylized handwritten signature that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/F-5

Signed by:

Daniel Marteletto

B86C2B581A8C4GD
Daniel Naves Marteletto
Counter CRC 1MG105346/O-2