

Special-Purpose Financial Information

Brazilian Biodiversity Fund – FUNBIO

For the period from July 1st, 2024, to June 30, 2025

Accompanied by the Independent Auditor's Report on the Special-Purpose Financial Information for the Project "Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital (Readiness AND)"



Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness AND”
For the period from July 1, 2024 to June 30, 2025
(In Brazilian reais, unless otherwise stated)

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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 Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital (Readiness AND)”

To the Executive Secretariat and the Deliberative Council of the
Brazilian Fund for Biodiversity - FUNBIO

Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital (Readiness AND)”
Rio de Janeiro - RJ

Opinion

We have audited the accompanying financial statements from the Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital (Readiness AND)” (“Project”), managed by the Brazilian Fund for Biodiversity - FUNBIO (“Entity”), financed Green Climate Fund (GCF) (“Financed”), for the period from July 1st, 2024 to June 30, 2025, 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 July 1st, 2024 to June 30, 2025, referred to above, has been prepared, in all material respects, in accordance with the accounting basis of receipts and payments described in Note 1.

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



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Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital (Readiness AND)”

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.

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 June 30, 2024, was conducted under the responsibility of other independent auditors, who issued an audit report, dated August 13, 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.



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Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital (Readiness AND)”

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:

- 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, September 24, 2025

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

DocuSigned by

Daniel Marteletto

Signed by DANIEL NAVES MARTELETTO (0608072860)
CPF: 04520872860
Signing Time: 24 de setembro de 2025 12:08 BRT

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Daniel Naves Marteletto

Counter CRC 1MG105346/O-2

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness AND”

For the period from July 1, 2024 to June 30, 2025

(In Brazilian reais, unless otherwise stated)

The Statement of cash receipts and payments for the Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital”, covering the period from July 1, 2024 to June 30, 2025, July 1, 2023 to June 30, 2024, and the cumulative amounts are presented below.

Statement of cash receipts and disbursements

	Notes	7/1/2024 to 6/30/25	7/1/2023 to 6/30/24	Cumulative amount
		(in R\$)	(in R\$)	(in R\$)
Receipts		896,493.97	56,835.52	-
Funds received from the GCF	2	857,280.00	-	1,523,140.00
Interest earned	2	39,213.97	56,835.52	147,330.42
Total Receipts		896,493.97	56,835.52	1,670,470.42
Payments		353,616.42	213,540.84	617,715.05
Project activities		311,942.40	170,904.39	482,846.79
Local individual consultancy	4	305,942.40	158,824.80	464,767.20
Professional services - Business	4	6,000.00		6,000.00
Domestic travel	4	-	12,079.59	12,079.59
Project management		-	42,636.45	93,194.24
Audit	4	-	7,267.30	10,244.00
Local individual consultancy	4	-	35,369.15	82,950.24
Implementing Partner fee- Funbio	4	41,674.02	-	41,674.02
Banking fees	2	3,551.90	141.40	6,491.32
Total Payments		357,168.32	213,682.24	624,206.37
Increase (decrease) in cash				
Opening cash balance		506,938.40	663,785.12	1,046,264.05
Exchange rate adjustment		-		
Closing cash balance	2	1,046,264.05	506,938.40	1,046,264.05

(*) The accumulated amount refers to the period from September 9, 2022 to June 30, 2025.

The accompanying notes are an integral part of these financial statements.

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness AND”
For the period from July 1, 2024 to June 30, 2025
(In Brazilian reais, unless otherwise stated)

The Statement comparing the budgeted and actual amounts of the Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital”, covering the period from July 1, 2024 to June 30, 2025, July 1, 2023 to June 30, 2024, and the cumulative amounts are presented below.

Statement of comparison of budgeted and actual amounts

Notes	Budgeted	Actual			Variation	
		7/1/2024 to 6/30/2025	7/1/2023 to 6/30/2024	Cumulative amount (*)		
		(USD)	(in R\$)	(in R\$)	(in R\$)	(USD)
Project activities		415,200.00	311,942.40	170,904.39	482,846.79	94,269.31
Local individual consultancy	4	148,050.00	305,942.40	158,824.80	464,767.20	90,739.53
Professional services	4	260,850.00	6,000.00		6,000.00	1,171.42
Domestic travel	4	6,300.00	-	12,079.59	12,079.59	2,358.36
Project management		31,100.00		42,636.45	93,194.24	18,194.92
Audit	4	6,000.00	-	7,267.30	10,244.00	1,999.98
Local individual consultancy	4	25,100.00	-	35,369.15	82,950.24	16,194.94
Contingency	4	12,190.00	-	-	-	-
Implementing Partner fee-Funbio	4	39,006.00	41,674.02	-	41,674.02	8,136.28
Total budgeted and actual amounts		497,496.00	353,616.42	213,540.84	617,715.05	120,600.51

(*) The accumulated amount refers to the period from September 9, 2022 to June 30, 2025.

The accompanying notes are an integral part of these financial statements.

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Special-Purpose Financial Information for the Project “Readiness AND”
For the period from July 1, 2024 to June 30, 2025
(In Brazilian reais, unless otherwise stated)

The Supplementary Statement supporting the Cash Position Certificate of the Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital”, covering the period from July 1, 2024 to June 30, 2025 and July 1, 2023 to June 30, 2024 are presented below.

Supplementary Statement supporting the Cash Position Certificate

	Notes	7/1/2024 to 6/30/2025		7/1/2023 to 6/30/2024	
		(in R\$)	(USD) (*)	(in R\$)	(USD) (**)
Balance by bank		1,046,264.05	187,210.74	506,938.40	97,360.90
Designated account – USD				-	-
Operating account – R\$		1,046,264.05	187,210.74	506,938.40	97,360.90
Total cash position	2	1,046,264.05	187,210.74	506,938.40	97,360.90

(*) These amounts received during this period were converted into U.S. dollars using the exchange rate for the Brazilian real provided by the Central Bank of Brazil (BACEN) of R\$5.6400 on May 19, 2025. For income and fee amounts, we used the final rate provided by the Central Bank of Brazil (BACEN) of R\$5.4565 on June 30, 2025.

(**) These amounts were converted into U.S. dollars using the exchange rate for the Brazilian real obtained in the foreign exchange contract on the date the funds were internalized, which occurred on September 9, 2022, at R\$5.1220. For income and fee amounts, we used the final rate provided by the Central Bank of Brazil (BACEN) of R\$5.5583 on June 30, 2024.

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Special-Purpose Financial Information for the Project “Readiness AND”
For the period from July 1, 2024 to June 30, 2025
(In Brazilian reais, unless otherwise stated)

The Statement of Bank Account Reconciliation of the Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital”, covering the period from July 1, 2024 to June 30, 2025, July 1, 2023 to June 30, 2024, and the cumulative amounts are presented below.

	7/1/2024 to 6/30/2025		7/1/2023 to 6/30/2024		Cumulative amount (***)	
	(in R\$)	(USD)	(in R\$)	(USD)	(in R\$)	(USD)
Opening balance	506,938.40	97,699.81	663,785.12	130,190.86	-	-
<u>Additions:</u>						
Grant funds during the period (**)	857,280.00	152,000.00	-	-	1,523,140.00	282,000.00
Interest earned (*)	39,213.97	6,133.27	56,835.52	9,225.34	147,330.42	27,000.90
Total additions	896,493.97	158,133.27	56,835.52	9,225.34	1,670,470.42	309,000.90
<u>Deductions:</u>						
Payments made during the period (**)	(353,616.42)	(69,038.80)	(213,540.84)	(41,690.95)	(617,715.05)	(120,600.51)
Bank fees and other charges (*)	(3,551.90)	(583.54)	(141.40)	(25.44)	(6,491.32)	(1,189.65)
Total deductions	(357,168.32)	(69,622.34)	(213,682.24)	(41,716.39)	(624,206.37)	(121,790.16)
Foreign Exchange variations	-	-	-	-	-	-
Closing balance (**)	1,046,264.05	186,210.74	506,938.40	97,699.81	1,046,264.05	187,210.74
As per bank (**)	1,046,264.05	187,210.74	506,938.40	97,699.81	1,046,264.05	187,210.74

(*) The amounts of income earned and bank fees were converted into U.S. dollars using the final exchange rate provided by the Central Bank of Brazil (BACEN) of R\$5.5583 on June 30, 2024, and R\$5.4565 on June 30, 2025.

(**) These amounts were converted into U.S. dollars using the exchange rate for the Brazilian real obtained in the foreign exchange contract on the date the funds were internalized, which occurred on September 9, 2022, at R\$5.1220, and at R\$5.6400 on May 19, 2025.

(***) The accumulated amount refers to the period from September 9, 2022 to June 30, 2025.

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Special-Purpose Financial Information for the Project “Readiness AND”

For the period from July 1, 2024 to June 30, 2025

(In Brazilian reais, unless otherwise stated)

The Statement of Annual Budget Performance in U.S. dollars for the project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital”, covering the period from July 1, 2024 to June 30, 2025, July 1, 2023 to June 30, 2024, and the cumulative amounts are presented below.

Statement of Annual Budget Performance

Notes	7/1/2024 to 6/30/2025			7/1/2023 to 6/30/2024			Cumulative amount (*)		
	Budgeted	Actual	Variation	Budgeted	Actual	Variation	Budgeted	Actual	Variation
	(USD)	(USD)	(USD)	(USD)	(USD)	(USD)	(USD)	(USD)	(USD)
Project activities	118,628.57	60,902.52	57,726.05	118,628.57	33,366.79	85,261.78	415,200.00	94,269.31	320,930.69
Local individual consultancy	42,300.00	59,731.10	(17,431.10)	42,300.00	31,008.43	11,291.57	148,050.00	90,739.53	57,310.47
Professional services - Business	74,528.57	1,171.42	73,357.15	74,528.57	-	74,528.57	260,850.00	1,171.42	259,678.58
Domestic travel	1,800.00	-	1,800.00	1,800.00	2,358.36	(558.36)	6,300.00	2,358.36	3,941.64
Project management	8,885.71	-	8,885.71	8,885.71	8,324.18	561.53	31,100.00	18,194.92	12,905.08
Audit	1,714.29	-	1,714.29	1,714.29	1,418.82	295.47	6,000.00	1,999.98	4,000.02
Local individual consultancy	7,171.43	-	7,171.43	7,171.43	6,905.36	266.07	25,100.00	16,194.94	8,905.06
Contingency	3,482.86	-	3,482.86	3,482.86	-	3,482.86	12,190.00	-	12,190.00
Implementing Partner fee-Funbio	11,144.57	8,136.28	3,008.29	11,144.57	-	11,144.57	39,006.00	8,136.28	30,869.72
TOTAL	142,141.71	69,038.80	73,102.91	142,141.71	41,690.97	100,450.74	497,496.00	120,600.51	376,895.49

(*) The accumulated amount refers to the period from September 9, 2022 to June 30, 2025.

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Special-Purpose Financial Information for the Project “Readiness AND”

For the period from July 1, 2024 to June 30, 2025

(In Brazilian reais, unless otherwise stated)

The Statement of Annual Budget Performance in Reais for the project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital”, covering the period from July 1, 2024 to June 30, 2025, July 1, 2023 to June 30, 2024, and the cumulative amounts are presented below.

Statement of Annual Budget Performance

		7/1/2024 to 6/30/2025			7/1/2023 to 6/30/2024			Cumulative amount (*)		
	Notes	Budgeted (**)	Actual	Variation	Budgeted (**)	Actual	Variation	Budgeted	Actual	Variation
		(in R\$)	(in R\$)	(in R\$)	(in R\$)	(in R\$)	(in R\$)	(in R\$)	(in R\$)	(in R\$)
Project activities		649,420.25	311,942.40	337,477.85	649,420.25	170,904.39	478,515.86	2,272,970.88	482,846.79	1,790,124.09
Local individual consultancy	4	231,567.12	305,942.40	(74,375.28)	231,567.12	158,824.80	72,742.32	810,484.92	464,767.20	345,717.72
Professional services	4	407,999.21	6,000.00	401,999.21	407,999.21	-	407,999.21	1,427,997.24	6,000.00	1,421,997.24
Domestic travel	4	9,853.92	-	9,853.92	9,853.92	12,079.59	(2,225.67)	34,488.72	12,079.59	22,409.13
Project management		48,643.95	-	48,643.95	48,643.95	42,636.45	6,007.50	170,253.84	93,194.24	77,059.60
Audit	4	9,384.69	-	9,384.69	9,384.69	7,267.30	2,117.39	32,846.40	10,244.00	22,602.40
Local individual consultancy	4	39,259.27	-	39,259.27	39,259.27	35,369.15	3,890.12	137,407.44	82,950.24	54,457.20
Contingency		19,066.55	-	19,066.55	19,066.55	-	19,066.55	66,732.94	-	66,732.94
Implementing Partner fee- Funbio		61,009.84	41,674.02	19,335.82	61,009.84	-	61,009.84	213,534.45	41,674.02	171,860.43
TOTAL		778,140.60	353,616.42	424,524.18	778,140.60	213,540.84	564,599.76	2,723,492.11	617,715.05	2,105,777.06

(*) The accumulated amount refers to the period from September 9, 2022 to June 30, 2025.

(**) The budgeted amounts presented above were converted using the final exchange rate provided by the Central Bank of Brazil (BACEN) on July 21, 2022, at the time of the contract signing, at R\$5.4744.

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Special-Purpose Financial Information for the Project “Readiness AND”

For the period from July 1st, 2024 to June 30, 2025

(In Brazilian reais, unless otherwise stated)

1. Material Accounting Practices

Scope of the report and reporting entity

These financial statements are prepared for the project *Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital* (“Readiness AND”) and not for any specific reporting entity.

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 objectives of the Readiness AND Project are to strengthen the NDA (National Designated Authority) to enhance support for climate change projects and to enable climate finance to develop new alternatives for attracting national and international capital. The project is funded through a grant support agreement provided by the Green Climate Fund (GCF).

FUNBIO is responsible for selecting consultants, procuring services, and carrying out all project registration and financial management in close coordination with the technical team of the National Designated Authority at the Ministry of Economy. On August 4, 2022, the contract was signed with the Green Climate Fund (“GCF”), and on September 9, 2022, the first disbursement of resources for the project was made by the GCF.

Basis of preparation and general information

The project’s financial statements have been prepared on a cash-basis of accounting, under which revenues are recognized upon receipt of funds and expenses are recognized when paid in cash. This basis of accounting differs from the standards generally applied in Brazil, which require transactions to be recorded when incurred rather than when paid.

Cash control

Cash is managed by FUNBIO. All funds held in the operational bank account fall under its control. Receipts and payments made through the bank accounts are reported separately, as required by IPSAS under the cash basis of accounting.

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For the period from July 1st, 2024 to June 30, 2025
(In Brazilian reais, unless otherwise stated)

Funds received

This line refers to the amounts actually received by the Project, recorded on a cash basis.

Goods and services received (including grant resources)

The Project may receive assistance in the form of goods and services from FUNBIO or from third parties. The value of these goods and services is determined based on the agreed valuation methodology, the depreciated historical cost of physical assets at the time of transfer, or the fair value of the goods and services.

Unit of measure (functional currency)

These financial statements are presented in Brazilian reais, which is FUNBIO's functional currency, except where otherwise indicated.

Available funds

These refer primarily to current account balances and other investments used to meet the cash-flow needs of commitments, considering the inflows and outflows of resources.

Financial income – interest earned, bank charges, and other fees

This line refers to the income earned from the Project's financial investments, recorded on an accrual basis and calculated using the index applicable to each investment. Any bank charges are levied periodically in line with the services contracted by FUNBIO with the financial institution.

Use of funds (Payments)

Expenses are recognized when paid (cash basis) at their cost value. The amounts recorded as payments represent the cash outflows of resources previously budgeted or provisioned.

Project activities

These refer to the expenses and operational services incurred during the year that are directly applied to carrying out activities within the project, recorded on an accrual basis.

Project management

These refer to the expenses and services incurred for the administrative management of the project, recorded at cost and on an accrual basis.

Contingencies

These refer to any contingent items provisioned by the Project arising from its execution, recorded at their estimated cash-outflow value. The provision for contingencies is updated annually by FUNBIO

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(In Brazilian reais, unless otherwise stated)

based on the expected loss determined by FUNBIO's legal advisers and is recognized when the expected outflow (loss) is deemed probable for the Project.

Implementing Partner fee

This refers to FUNBIO's administrative fees for managing and implementing the project.

Approved budget information

The approved budget is prepared on the same accounting basis (cash basis) as the project's financial statements. It reflects the plans agreed with the GCF, follows the same expense classification structure, and is authorized for expenditure under FUNBIO's financial management procedures.

Date of authorization

The Entity's Management approved the issuance of these financial statements on September 16, 2025.

2. Cash

Cash consists of demand deposits and cash equivalents. Demand deposits and cash equivalents include bank balances and investments in short-term money market instruments.

Project receipts are deposited in a bank account at Banco do Brasil S.A. controlled by FUNBIO and are transferred directly to the local operational account using the spot exchange rate on the date of currency conversion.

The cash reported in the Statement of Cash Receipts and Payments comprises the following amounts:

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For the period from July 1st, 2024 to June 30, 2025
(In Brazilian reais, unless otherwise stated)

	Notes	7/1/2024 to 6/30/2025		7/1/2023 to 6/30/2024	
		(in R\$)	(USD) (*)	(in R\$)	(USD) (*)
Balance by bank		1,046,264.05	187,210.74	506,938.40	97,360.90
Designated account – USD				-	-
Operating account – R\$		1,046,264.05	187,210.74	506,938.40	97,360.90
Total cash position	2	1,046,264.05	187,210.74	506,938.40	97,360.90

For the period from July 1, 2024 to June 30, 2025, the net income from financial investments totaled R\$39,213.97 (July 1, 2023 to June 30, 2024 – R\$56,835.52) and USD6,133.27 (July 1, 2023 to June 30, 2024 – USD9,225.34). Banking fees totaled R\$3,551.90 and USD583.54 (July 1, 2023 to June 30, 2024 – R\$141.40 and USD25.44).

The financial investments in bank deposit certificates (CDBs) are represented by securities that yield 96% of the CDI, with redemption terms of up to 60 months and an insignificant risk of value reduction. The investments are held at a top-tier financial institution.

3. External assistance

Sources of financing

There were no instances of non-compliance with the terms and conditions of the agreements that resulted in the cancellation of external assistance, and no external assistance was provided during the period.

Goods and services received

From July 1, 2024 to June 30, 2025, no counterpart contributions were received.

4. Variation analysis

Comparison of cumulative budgeted and actual amounts

For the period from August 4, 2022 to June 30, 2025, representing the cumulative term of the agreement, the budgeted and actual amounts showed the following variances, as detailed below:

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness AND”
For the period from July 1st, 2024 to June 30, 2025
(In Brazilian reais, unless otherwise stated)

	Cumulative amount (*)		
	Budgeted	Actual	Variation
	(in R\$)	(in R\$)	(in R\$)
Project activities	2,272,970.88	482,846.79	1,790,124.09
Local individual consultancy	810,484.92	464,767.20	345,717.72
Professional services	1,427,997.24	6,000.00	1,421,997.24
Domestic travel	34,488.72	12,079.59	22,409.13
Project management	170,253.84	93,194.24	77,059.60
Audit	32,846.40	10,244.00	22,602.40
Local individual consultancy	137,407.44	82,950.24	54,457.20
Contingency	66,732.94	-	66,732.94
Implementing Partner fee- Funbio	213,534.45	41,674.02	171,860.43
TOTAL	2,723,492.11	617,715.05	2,105,777.06

Annual budget performance – in U.S. dollars

For the period from July 1, 2024, through June 30, 2025, the cumulative term of the agreement, the budgeted and actual amounts showed the following variances, as presented below:

	7/1/2024 to 6/30/2025		
	Budgeted	Actual	Variation
	(USD)	(USD)	(USD)
Project activities	118,628.57	60,902.52	57,726.05
Local individual consultancy	42,300.00	59,731.10	(17,431.10)
Professional services - Business	74,528.57	1,171.42	73,357.15
Domestic travel	1,800.00	-	1,800.00
Project management	8,885.71	-	8,885.71
Audit	1,714.29	-	1,714.29
Local individual consultancy	7,171.43	-	7,171.43
Contingency	3,482.86	-	3,482.86
Implementing Partner fee- Funbio	11,144.57	8,136.28	3,008.29
TOTAL	142,141.71	69,038.80	73,102.91

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness AND”
For the period from July 1st, 2024 to June 30, 2025
(In Brazilian reais, unless otherwise stated)

Annual budget performance – in Brazilian reais

	7/1/2024 to 6/30/2025		
	Budgeted (**) (in R\$)	Actual (in R\$)	Variation (in R\$)
Project activities	649,420.25	311,942.40	337,477.85
Local individual consultancy	231,567.12	305,942.40	(74,375.28)
Professional services	407,999.21	6,000.00	401,999.21
Domestic travel	9,853.92	-	9,853.92
Project management	48,643.95	-	48,643.95
Audit	9,384.69	-	9,384.69
Local individual consultancy	39,259.27	-	39,259.27
Contingency	19,066.55	-	19,066.55
Implementing Partner fee- Funbio	61,009.84	41,674.02	19,335.82
TOTAL	778,140.60	353,616.42	424,524.18

5. Commitments

As of June 30, 2025, the unpaid commitments totaled USD 234,401.80 (equivalent to R\$1,200,606.00). The conversion into U.S. dollars was carried out using the exchange rate of R\$5.1220 applied on the date the funds were internalized, which occurred on September 9, 2022. The commitments are divided into two categories:

a) Contract termination

- Contract no. 00004455 / 8/2/2023 – Julia Mello de Queiroz

Originally contracted amount: R\$241,920.00 (USD47,231.55).
Amount paid up to termination: R\$169,344.00 (USD33,062.09).
Unexecuted balance of R\$72,576.00 (USD14,169.47), related to the termination, not constituting a future obligation for the Project.

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness AND”
For the period from July 1st, 2024 to June 30, 2025
(In Brazilian reais, unless otherwise stated)

b) Ongoing commitments as of June 30, 2025

	Commitments (in R\$)	Paid (in R\$)	Not paid (in R\$)
Contract Number / Contract Date / Consultant			
00004983 / 12/13/2023 / Ana Carolina Barbosa do Canto	97,200.00	82,620.00	14,580.00
00005065 / 5/31/2024 / Verena Cristina de Almeida	146,250.00	91,800.00	54,450.00
00005068 / 6/5/2024/ W MAIS NEGOCIOS	20,000.00	6,000.00	14,000.00
00005163 / 11/19/2024 / Alexandre Kotchergenko Batista	120,960.00	48,384.00	72,576.00
00003554 / 6/5/2025/ WRI BRASIL	1,045,000.00	-	1,045,000.00

	Commitments (USD)	Paid (USD)	Not paid (USD)
Contract Number / Contract Date / Consultant			
00004983 / 12/13/2023 / Ana Carolina Barbosa do Canto	18,976.96	16,130.42	2,846.54
00005065 / 5/31/2024 / Verena Cristina de Almeida	28,553.30	17,922.69	10,630.61
00005068 / 6/5/2024/ W MAIS NEGOCIOS	3,904.72	1,171.42	2,733.31
00005163 / 11/19/2024 / Alexandre Kotchergenko Batista	23,615.78	9,446.31	14,169.47
00003554 / 6/5/2025/ WRI BRASIL	204,021.87	-	204,021.87

Total unpaid commitments: R\$1,200,606.00 / USD234,401.80



**Memorandum on the compliance of contractual clauses
of accounting and financial nature for the Project
Project “Strengthening the Brazilian NDA to provide
better support to climate change projects and to build
its capacity on climate finance to develop new alternatives
for attracting national and international capital (Readiness AND)”**

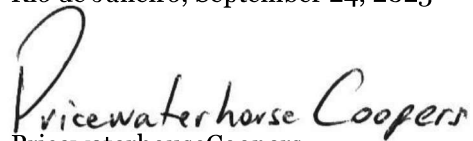
To the Executive Secretariat and the Deliberative Council of the
Brazilian Biodiversity Fund – FUNBIO
Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity
on climate finance to develop new alternatives for attracting national and international
capital (Readiness AND)”
Rio de Janeiro - RJ

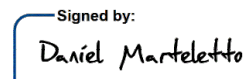
We have audited the financial statements for the period from June 1st, 2024 to July 30, 2025 of Project “Strengthening
the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate
finance to develop new alternatives for attracting national and international capital (Readiness AND)” (“Project”),
managed by Brazilian Biodiversity Fund – FUNBIO (“Entity”), financed Green Climate Fund (GCF) (“Financed”) and
we have issued our report corresponding to it, dated September 24, 2025.

We conducted our audit in accordance with international auditing standards and the requirements of the contract
entered into between the Entity, managed by the Brazilian Biodiversity Fund - FUNBIO (“Entity”) and financed Green
Climate Fund (GCF). These standards require appropriate planning and performance of the audit to ensure we can
reasonably ascertain whether FUNBIO complied with the relevant clauses of the contract between the Entity and the
Project. The audit includes a sample-based examination of the evidence we consider appropriate. Therefore, we
consider that our audit provides a reasonable basis for our opinion.

Based on the procedures carried out for the period from July 1, 2024 to June 30, 2025, 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 Brazilian Biodiversity Fund - FUNBIO
(“Entity”) and financed Green Climate Fund (GCF).

Rio de Janeiro, September 24, 2025


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

Signed by:

B85C2D581A8C4CD
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 “Strengthening the Brazilian NDA to provide
better support to climate change projects and to build
its capacity on climate finance to develop new alternatives
for attracting national and international capital (Readiness AND)”**

September 24, 2025

To the Executive Secretariat and the Deliberative Council of the
Brazilian Biodiversity Fund – FUNBIO

Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity
on climate finance to develop new alternatives for attracting national and international capital (Readiness AND)”
Rio de Janeiro - RJ

This report is complementary to our report on the Project “Strengthening the Brazilian NDA to provide better support
to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting
national and international capital (Readiness AND)”

Dear Sirs,

In connection with the examination of the special purpose financial information Project “Strengthening the Brazilian
NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new
alternatives for attracting national and international capital (Readiness AND)” (“Project”) on June 30, 2025, 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.

PricewaterhouseCoopers Auditores Independentes
Ltda.
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T: +55 (11) 4004-8000



Project “Strengthening the Brazilian NDA to provide better support to climate change projects and to build its capacity on climate finance to develop new alternatives for attracting national and international capital (Readiness AND)”

September 24, 2025

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 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 handwritten signature in black ink that reads "PricewaterhouseCoopers".

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

Signed by:

Daniel Marteletto

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Daniel Naves Marteletto

Counter CRC 1MG105346/O-2