

Special-Purpose Financial Information

Brazilian Biodiversity Fund – FUNBIO

For the period from July 1st, 2025 to September 15, 2026

Accompanied by the Independent Auditor's Report on the Special-Purpose Financial Information for the Project "GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness Ocean-climate"



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(A free translation of the original in Portuguese)

Report of the independent auditor on the special-purpose financial information

To the Executive Secretariat and the Deliberative Council of the
Brazilian Fund for Biodiversity – FUNBIO
Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness Ocean-climate”

Opinion

We have audited the accompanying financial statements from the Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness Ocean-climate” (“Project”), managed by the Brazilian Fund for Biodiversity – FUNBIO (“Entity”), financed Green Climate Fund (GCF) (“Financed”), for the period from July 1st, 2025 to September 15, 2026, 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, 2025 to September 15, 2026, 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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Project "GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness Ocean-climate"

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.

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.

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 "GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness Ocean-climate"

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.

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 30, 2026


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

DocuSigned by
Daniel Marteletto
Assinado por DANIEL NAVES MARTELETTO/0520072660
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Data/Hora da Assinatura: 29 de outubro de 2025 | 19:05 BRT
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Emissor: AC SertifiCA Multipla

Daniel Naves Marteletto
Accountant CRC 1MG105346/O-2

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness Ocean-climate”
For the period from July 1, 2025 to September 15, 2026
(In Brazilian reais, unless otherwise stated)

The Statement of cash receipts and payments for the Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil”, for the period from July 1, 2025 to September 15, 2026, July 1, 2024 to June 30, 2025, and the accumulated amount is presented below

Statement of cash receipts and disbursements

	Notes	7/1/2025 to 9/15/2026	7/1/2024 to 6/30/2025	Cumulative amount (*)
		(in R\$)	(in R\$)	(in R\$)
Receipts				
Funds received from the GCF	4	745,480.22	-	1,469,985.29
Interest earned	3	70,449.40	48,625.96	179,407.80
Total Receipts		815,929.62	48,625.96	1,649,393.09
Payments		(225,999.59)	(483,414.61)	(748,306.21)
Project activities		(185,260.00)	(397,880.69)	(600,439.85)
Professional services - Business		(89,860.00)	(397,880.69)	(505,039.85)
Local individual consultancy		(86,400.00)	-	(86,400.00)
Audiovisual and Printing Services		(9,000.00)	-	(9,000.00)
Domestic travel		-	-	-
Project management		(15,667.14)	(51,577.50)	(88,837.49)
Audit	5	(5,314.10)	(1,691.14)	(10,628.20)
Local individual consultancy	5	(10,353.04)	(49,886.36)	(78,209.29)
Implementing Partner fee-Funbio		(25,072.45)	(33,956.42)	(59,028.87)
Banking fees	3	(3,714.22)	(61.20)	(7,368.74)
Total Payments		(229,713.81)	(483,475.81)	(755,674.95)
Increase (decrease) in cash		-	-	-
Opening cash balance		307,527.95	742,352.18	-
Exchange rate adjustment		-	-	-
Adjustment between accounts		(25.62)	25.62	-
Closing cash balance	3	893,718.14	307,527.95	893,718.14

(*) The cumulative amount refers to the period from April 5, 2023, through September 15, 2026.

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

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness Ocean-climate”
For the period from July 1, 2025 to September 15, 2026
(In Brazilian reais, unless otherwise stated)

The Statement comparing the budgeted and actual amounts of the Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil”, for the period from July 1, 2025 to September 15, 2026, July 1, 2024 to June 30, 2025, and the accumulated amount is presented below

Statement of comparison of budgeted and actual amounts

	Notes	Budgeted	Actual				Variation
			7/1/2025 to 9/15/2025	7/1/2024 to 6/30/2025	Cumulative amount (*)		
			(in USD)	(in R\$)	(in R\$)	(in R\$)	
Project activities		248,500.00	185,260.00	397,880.69	600,439.85	123,950.89	124,549.11
Professional services - Business	5	175,800.00	89,860.00	397,880.69	505,039.85	104,541.43	71,258.57
Local individual consultancy	5	56,700.00	86,400.00	-	86,400.00	17,693.66	39,006.34
Audiovisual and Printing Services	5	6,000.00	9,000.00	-	9,000.00	1,715.80	4,284.20
Domestic Travel	5	10,000.00		-			10,000.00
Project management		18,400.00	15,667.14	51,577.50	88,837.49	18,389.07	10.93
Audit	5	2,200.00	5,314.10	1,691.14	10,628.20	2,200.00	0.00
Local individual consultancy	5	16,200.00	10,353.04	49,886.36	78,209.29	16,189.07	10.93
Contingency	5	9,600.00		-			9,600.00
Implementing Partner fee- Funbio	5	23,500.00	25,072.45	33,956.42	59,028.87	12,098.90	11,401.10
Total budgeted and actual amounts		300,000.00	225,999.59	483,414.61	748,306.21	154,438.86	145,561.14

(*) The cumulative amount refers to the period from April 5, 2023, through September 15, 2026.

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

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Special-Purpose Financial Information for the Project “Readiness Ocean-climate”
For the period from July 1, 2025 to September 15, 2026
(In Brazilian reais, unless otherwise stated)

The Supplementary Statement supporting the Cash Position Certificate of the Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil”, for the period from July 1, 2025 to September 15, 2026, July 1, 2024 to June 30, 2025, and the accumulated amount is presented below.

Supplementary Statement supporting the Cash Position Certificate

	Notes	7/1/2025 to 9/15/2026		7/1/2024 to 6/30/2025	
		(in R\$)	(in USD) (**)	(in R\$)	(in USD) (*)
Balance by bank		893,718.14	168,917.16	307,527.95	61,158.45
Designated account – USD		-	-	-	-
Operating account – R\$		893,718.14	168,917.16	307,527.95	61,158.45
Total cash position	3	893,718.14	168,917.16	307,527.95	61,158.45

(*) 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, July 5, 2023, at R\$4.831. For income and fee amounts, we used the final rate published by the Brazilian Central Bank (BACEN) of R\$5.5583 on June 30, 2024.

(**) 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, July 5, 2023, at R\$4.831. After the funds were exhausted, the exchange rate used was the one from the date of the second disbursement's internalization, January 6, 2026, at R\$5.3260. For earnings and fees, we used the final rate published by the Central Bank of Brazil (BACEN) on September 15, 2026, which was R\$5.1484.

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Special-Purpose Financial Information for the Project “Readiness Ocean-climate”
For the period from July 1, 2025 to September 15, 2026
(In Brazilian reais, unless otherwise stated)

The Statement of Bank Account Reconciliation of the Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil”, for the period from July 1, 2025 to September 15, 2026, July 1, 2024 to June 30, 2025, and the accumulated amount is presented below

Statement of Bank Account Reconciliation

	7/1/2025 to 9/15/2026		7/1/2024 to 6/30/2025		Cumulative amount (***)	
	(in R\$)	(in USD)	(in R\$)	(in USD)	(in R\$)	(in USD)
Opening balance	307,527.95	61,158.45	742,352.18	152,157.49	-	-
<u>Addition:</u>						
Grant funds during the period (**)	745,480.22	140,000.00	-	-	1,469,985.29	290,000.00
Interest earned (*)	70,449.40	13,683.75	48,625.96	9,114.07	179,407.80	33,449.79
Total additions	815,929.62	153,683.75	48,625.96	9,114.07	1,649,393.09	323,449.79
<u>Deductions:</u>						
Payments made during the period (**)	(225,999.59)	(46,323.22)	(483,414.61)	(100,065.13)	(748,306.21)	(154,438.84)
Bank fees and other charges (*)	(3,714.22)	(751.43)	(61.20)	(53.28)	(7,368.74)	(1,451.19)
Total deductions	(229,713.81)	(47,074.65)	(483,475.81)	(100,118.41)	(755,674.95)	(155,890.03)
Foreign Exchange variations	-	1,154.91	-	-	-	1,547.06
Settlement between accounts	(25.62)	(5.30)	25.62	5.30	-	-
Closing balance (**)	893,718.14	168,917.16	307,527.95	61,158.45	893,718.14	169,106.82
As per bank (**)	893,718.14	168,917.16	307,527.95	61,158.45	880,703.69	168,917.16

(*) The amounts of income earned and bank fees were converted into U.S. dollars using the final rate published by the Brazilian Central Bank (BACEN) of R\$5.5583 on June 30, 2024, and R\$5.1484 on September 15, 2026.

(**) 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, July 5, 2023, at R\$4.831. After the funds were exhausted, the exchange rate used was the one from the date of the second disbursement's internalization, January 6, 2026, at R\$5.3260.

(***) The accumulated amount refers to the period from April 5, 2023 to September 15, 2026.

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Special-Purpose Financial Information for the Project “Readiness Ocean-climate”

For the period from July 1, 2025 to September 15, 2026

(In Brazilian reais, unless otherwise stated)

The Statement of Annual Budget Performance in U.S. dollars for the project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil”, for the period from July 1, 2025 to September 15, 2026, July 1, 2024 to June 30, 2025, and the accumulated amount is presented below

Statement of Annual Budget Performance

	Notes	7/1/2025 to 9/15/2026			7/1/2024 to 6/30/2025			Cumulative amount (*)		
		Budgeted (in USD)	Actual (in USD)	Variation (in USD)	Budgeted (in USD)	Actual (in USD)	Variation (in USD)	Budgeted (in USD)	Actual (in USD)	Variation (in USD)
Project activities		38,828.12	38,010.16	817.96	93,187.50	82,359.87	10,827.63	248,500.00	123,950.89	124,549.11
Professional services - Business	5	27,468.75	18,600.70	8,868.05	65,925.00	82,359.87	(16,434.87)	175,800.00	104,541.43	71,258.57
Local individual consultancy	5	8,859.37	17,693.66	(8,834.29)	21,262.50	-	21,262.50	56,700.00	17,693.66	39,006.34
Audiovisual and Printing Services	5	937.50	1,715.80	(778.30)	2,250.00	-	2,250.00	6,000.00	1,715.80	4,284.20
Domestic Travel	5	1,562.50	-	1,562.50	3,750.00	-	3,750.00	10,000.00	-	10,000.00
Project management		2,875.00	3,243.02	(368.02)	6,900.00	10,676.38	(3,776.38)	18,400.00	18,389.07	10.93
Audit	5	343.75	1,099.99	(756.24)	825.00	350.06	474.94	2,200.00	2,200.00	0.00
Local individual consultancy	5	2,531.25	2,143.03	388.22	6,075.00	10,326.32	(4,251.32)	16,200.00	16,189.07	10.93
Contingency	5	1,500.00	-	1,500.00	3,600.00	-	3,600.00	9,600.00	-	9,600.00
Implementing Partner fee- Funbio	5	3,671.87	5,070.04	(1,398.17)	8,812.50	7,028.86	1,783.64	23,500.00	12,098.90	11,401.10
TOTAL		46,874.99	46,323.22	551.77	112,500.00	100,065.11	12,434.89	300,000.00	154,438.86	145,561.14

(*) The cumulative amount refers to the period from April 5, 2023, through September 15, 2026.

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness Ocean-climate”

For the period from July 1, 2025 to September 15, 2026

(In Brazilian reais, unless otherwise stated)

The Statement of Annual Budget Performance in Reais for the project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil”, for the period from July 1, 2025 to September 15, 2026, July 1, 2024 to June 30, 2025, and the accumulated amount is presented below

Statement of Annual Budget Performance

	Notes	7/1/2025 to 9/15/2026			7/1/2024 to 6/30/2025			Cumulative amount (*)		
		Budgeted (in USD)	Actual (in USD)	Variation (in USD)	Budgeted (in USD)	Actual (in USD)	Variation (in USD)	Budgeted (in USD)	Actual (in USD)	Variation (in USD)
Project activities		195,853.19	185,260.00	10,593.19	470,046.96	397,880.69	72,166.27	1,253,458.85	600,439.85	653,019.00
Professional services - Business	5	138,555.24	89,860.00	48,695.24	332,532.24	397,880.69	(65,348.45)	886,752.78	505,039.85	381,712.93
Local individual consultancy	5	44,687.70	86,400.00	(41,712.30)	107,250.12	-	107,250.12	286,000.47	86,400.00	199,600.47
Audiovisual and Printing Services	5	4,728.81	9,000.00	(4,271.19)	11,349.24	-	11,349.24	30,264.60	9,000.00	21,264.60
Domestic Travel	5	7,881.44		7,881.44	18,915.36	-	18,915.36	50,441.00		50,441.00
Project management		14,501.72	15,667.14	(1,165.42)	34,804.32	51,577.50	(16,773.18)	92,811.44	88,837.49	3,973.95
Audit	5	1,733.96	5,314.10	(3,580.14)	4,161.36	1,691.14	2,470.22	11,097.02	10,628.20	468.82
Local individual consultancy	5	12,767.76	10,353.04	2,414.72	30,642.96	49,886.36	(19,243.40)	81,714.42	78,209.29	3,505.13
Contingency	5	7,566.15		7,566.15	18,158.76	-	18,158.76	48,423.36		48,423.36
Implementing Partner fee- Funbio	5	18,521.33	25,072.45	(6,551.12)	44,451.12	33,956.42	10,494.70	118,536.35	59,028.87	59,507.48
TOTAL		236,442.39	225,999.59	10,442.80	567,461.16	483,414.61	84,046.55	1,513,230.00	748,306.21	764,923.79

(*) The cumulative amount refers to the period from April 5, 2023, through June 30, 2026.

(**) The budgeted amounts presented above were converted using the final rate published by the Brazilian Central Bank (BACEN) on April 5, 2023, at the time the contract was signed, of R\$5.0441.

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness Ocean-climate”
For the period from July 1, 2025 to September 15, 2026
(In Brazilian reais, unless otherwise stated)

1. Operational context

Scope of the report and reporting entity

These financial statements are prepared for the project *GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil* (“Readiness Ocean-climate”) and not for any specific reporting entity.

The Brazilian Biodiversity Fund (“Entity” or “FUNBIO”), service provider partner/accredited entity, 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 das Palmeiras, 72, 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 GCF Readiness Ocean-Climate Preparatory Support Programme: Exploring the Potential for an Ocean-Climate Pipeline for Mitigation and Adaptation in Brazil aimed to strengthen Brazil’s ocean-climate nexus agenda by expanding knowledge on the challenges and opportunities related to coastal and marine ecosystems and supporting the identification of priority initiatives and activities with potential to access climate finance. The initiative sought to promote the engagement of strategic stakeholders, enhance understanding of the topic, and support the development of a project pipeline aligned with national priorities and the criteria of the Green Climate Fund (GCF).

To achieve these objectives, the project supported technical studies, stakeholder consultations, institutional capacity-building, and analyses focused on identifying and prioritizing climate mitigation and adaptation opportunities in Brazil’s coastal zone. It also promoted the strengthening of institutional capacities related to GCF requirements, including monitoring, gender, and project development aspects, contributing to the preparation of future investment proposals within Brazil’s ocean-climate agenda.

FUNBIO is responsible for selecting consultants, procuring services, and carrying out all project registration and financial management in close communication with the technical team of the National Designated Authority, the Ministry of Science, Technology and Innovation (MCTI). The contract was signed between FUNBIO and the donor on April 5, 2023, and the first funds from the GCF were received on July 5, 2023.

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Special-Purpose Financial Information for the Project "Readiness Ocean-climate"
For the period from July 1, 2025 to September 15, 2026
(In Brazilian reais, unless otherwise stated)

2. Material accounting practices

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.

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.

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness Ocean-climate”
For the period from July 1, 2025 to September 15, 2026
(In Brazilian reais, unless otherwise stated)

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 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.

Executing partner fee

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

Executing 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 30, 2026.

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness Ocean-climate”
For the period from July 1, 2025 to September 15, 2026
(In Brazilian reais, unless otherwise stated)

3. 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:

	Notes	7/1/2025 to 9/15/2026		7/1/2024 to 6/30/2025	
		(in R\$)	(in USD) (*)	(in R\$)	(in USD) (*)
Balance by bank		893,718.14	168,917.16	307,527.95	61,158.45
Designated account – USD		-	-	-	-
Operating account – R\$		893,718.14	168,917.16	307,527.95	61,158.45
Total cash position	3	893,718.14	168,917.16	307,527.95	61,158.45

Between July 1, 2025 and September 9, 2026, net returns from financial investments totaled R\$ 70,449.40 (July 1, 2024 to June 30, 2025 – R\$ 48,625.96) and USD 12,932.32 (July 1, 2024 to June 30, 2025 – USD 8,911.57). Bank fees and charges totaled R\$ 3,714.22 and USD 721.43 (July 1, 2024 to June 30, 2025 – R\$ 61.20, equivalent to USD 11.22).

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

Upon the project’s closure, the remaining financial balance will be returned to the donor after approval of the final financial report.

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness Ocean-climate”
For the period from July 1, 2025 to September 15, 2026
(In Brazilian reais, unless otherwise stated)

4. 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, 2025 to September 15, 2026, no counterpart contributions were received.

5. Variance analysis

Comparison of cumulative budgeted and actual amounts

For the period from April 5, 2023 to September 15, 2026, representing the cumulative term of the agreement, the budgeted and actual amounts showed the following variances, as detailed below:

	Cumulative amount (*)		
	Budgeted	Actual	Variation
	(in USD)	(in USD)	(in USD)
Project activities	248,500.00	123,950.89	124,549.11
Professional services - Business	175,800.00	104,541.43	71,258.57
Local individual consultancy	56,700.00	17,693.66	39,006.34
Audiovisual and Printing Services	6,000.00	1,715.80	4,284.20
Domestic Travel	10,000.00	-	10,000.00
Project management	18,400.00	18,389.07	10.93
Audit	2,200.00	2,200.00	0.00
Local individual consultancy	16,200.00	16,189.07	10.93
Contingency	9,600.00	-	9,600.00
Implementing Partner fee- Funbio	23,500.00	12,098.90	11,401.10
TOTAL	300,000.00	154,438.86	145,561.14

Brazilian Biodiversity Fund - FUNBIO

Special-Purpose Financial Information for the Project “Readiness Ocean-climate”

For the period from July 1, 2025 to September 15, 2026

(In Brazilian reais, unless otherwise stated)

Annual budget performance – in U.S. dollars

For the period from July 1, 2025, through September 15, 2026, the cumulative term of the agreement, the budgeted and actual amounts showed the following variances, as presented below:

	7/1/2025 to 9/15/2026		
	Budgeted (in USD)	Actual (in USD)	Variation (in USD)
Project activities	38,828.12	38,010.16	817.96
Professional services - Business	27,468.75	18,600.70	8,868.05
Local individual consultancy	8,859.37	17,693.66	(8,834.29)
Audiovisual and Printing Services	937.50	1,715.80	(778.30)
Domestic Travel	1,562.50	-	1,562.50
Project management	2,875.00	3,243.02	(368.02)
Audit	343.75	1,099.99	(756.24)
Local individual consultancy	2,531.25	2,143.03	388.22
Contingency	1,500.00	-	1,500.00
Implementing Partner fee- Funbio	3,671.87	5,070.04	(1,398.17)
TOTAL	46,874.99	46,323.22	551.77

Annual budget performance – in Brazilian reais

	7/1/2025 to 9/15/2026		
	Budgeted (in USD)	Actual (in USD)	Variation (in USD)
Project activities	195,853.19	185,260.00	10,593.19
Professional services - Business	138,555.24	89,860.00	48,695.24
Local individual consultancy	44,687.70	86,400.00	(41,712.30)
Audiovisual and Printing Services	4,728.81	9,000.00	(4,271.19)
Domestic Travel	7,881.44	-	7,881.44
Project management	14,501.72	15,667.14	(1,165.42)
Audit	1,733.96	5,314.10	(3,580.14)
Local individual consultancy	12,767.76	10,353.04	2,414.72
Contingency	7,566.15	-	7,566.15
Implementing Partner fee- Funbio	18,521.33	25,072.45	(6,551.12)
TOTAL	236,442.39	225,999.59	10,442.80

6. Commitments

As of September 15, 2026, no outstanding financial, contractual, or other obligations resulting from the procurement of services or acquisition of goods from third parties were identified.



(A free translation of the original in Portuguese)

Brazilian Biodiversity Fund - FUNBIO

**Memorandum on the compliance of contractual clauses of
accounting and financial nature for Project “GCF
Readiness Ocean-climate Preparatory Support
Programme: Exploring the potential for ocean-climate
pipeline for mitigation and adaptation in Brazil - Readiness
Ocean-climate”**

On September 15, 2026



(A free translation of the original in Portuguese)

Memorandum on the compliance of contractual clauses of accounting and financial nature

To the Executive Secretariat and the Deliberative Council of the
Brazilian Fund for Biodiversity – FUNBIO
Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness Ocean-climate”

We have audited the financial statements for the period from July 1st, 2025, to September 15, 2026, of Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness Ocean-climate” (“Project”), managed by the Brazilian Fund for Biodiversity – FUNBIO (“Entity”), financed Green Climate Fund (GCF) (“Financed”) and we have issued our report corresponding to it, dated September 30, 2026.

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 by 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 1st, 2025, to September 15, 2026, 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 by the Green Climate Fund (“GCF”).

Rio de Janeiro, September 30, 2026


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

DocuSigned by

Assinado por: DANIEL NAVES MARTELETTO 06209072090
CPF: 06209072090
Data from the Assinatura: 06 de outubro de 2026 | 19:07 BRT
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C: BR
Empresa: AC SyngeneID Multiple
CNPJ: 14.045.818/0001-90
Daniel Naves Marteletto
Accountant CRC 1MG105346/O-2



(A free translation of the original in Portuguese)

Brazilian Biodiversity Fund - FUNBIO

Report of recommendations for improvement of internal controls prepared in connection with the special purpose financial information of the Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness Ocean-climate”

On September 15, 2026



(A free translation of the original in Portuguese)

September 30, 2026

To the Executive Secretariat and the Deliberative Council of the
Brazilian Fund for Biodiversity – FUNBIO
Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the
potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness
Ocean-climate”
Rio de Janeiro - RJ

This report is complementary to our report on the Project “GCF Readiness Ocean-climate
Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for
mitigation and adaptation in Brazil - Readiness Ocean-climate”.

Dear Sirs,

In connection with the examination of the special-purpose financial information of the
Project “GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the
potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness
Ocean-climate” (“Project”) on September 15, 2026, 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.



September 30, 2026

Brazilian Biodiversity Fund - FUNBIO

Project "GCF Readiness Ocean-climate Preparatory Support Programme: Exploring the potential for ocean-climate pipeline for mitigation and adaptation in Brazil - Readiness Ocean-climate"

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 Management and others authorized by the Entity and has not been prepared for use or presented to third parties outside the organization.

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 dark ink, reading 'PricewaterhouseCoopers' in a cursive style.

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

Declassified by
Daniel Marteletto
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CPF: 06200072060
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Daniel Naves Marteletto
Accountant CRC 1MG105346/O-2