

FINDEV CANADA TRANSACTION SUMMARY

S.A. Usina Coruripe Açúcar e Álcool

This document provides an overview of the FinDev Canada transaction, including a summary of the anticipated development impacts and of the environmental and social (E&S) risk assessment performed, potential risks identified, and related mitigation measures to be implemented.



Transaction Description

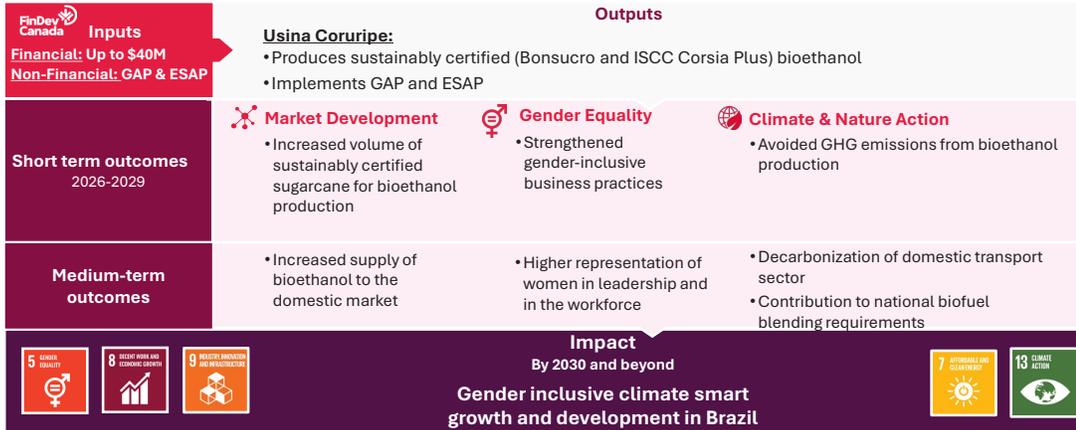
SA Usina Coruripe Açúcar e Álcool is one of Brazil's ten largest producers of sugar and bioethanol. Through its subsidiaries, it operates a diversified business model that includes the production and distribution of sugar, bioethanol, bioenergy, and related derivatives for both domestic and international markets. FinDev Canada's loan is part of a USD 100 million facility led by Proparco and supported by FMO. The facility will finance ongoing sugarcane farming activities for bioethanol and sugar production, including replanting, maintenance, and field operations, to support Usina Coruripe's management of 70,000 hectares of Bonsucro and ISCC Corsia Plus certified plantations in Brazil.

Transaction Details

COUNTERPARTY	S.A. Usina Coruripe Açúcar e Álcool
DOMICILE	Brazil
COUNTRY(IES) OF OPERATION	Brazil
TERM OF FINANCING	Up to US \$40M to finance capital expenditure related to the production of bioethanol.
SECTOR	Sustainable infrastructure
E&S CATEGORY	A
FINANCING PRODUCT	Debt
2X CANADA TRANSACTION AMOUNT	N/A
FINDEV CANADA TRANSACTION AMOUNT	USD 40 million
DATE OF TRANSACTION DISCLOSURE	7/11/2025
DATE OF TRANSACTION SIGNING	23/1/2026
DATE OF TRANSACTION SUMMARY PUBLICATION	17/3/2026
2X ALIGNMENT	N/A

Summary of Anticipated Development Impacts

The development impact value proposition of the transaction is to contribute to gender inclusive, climate-smart, economic growth and development in Brazil by supporting Usina Coruripe's sustainably certified sugarcane for bioethanol production, thereby decarbonizing the transportation sector, and by strengthening gender-inclusive business practices. The impact theory of change summarizes how the transaction contributes to FinDev Canada's development impact goals and the Sustainable Development Goals (SDGs).



MARKET DEVELOPMENT

- Increase volume of sustainably certified sugarcane for bioethanol production and consumption in Brazil:** As the world's second largest bioethanol producer, Brazil plays a key role in low-carbon transport. The transaction will support Usina Coruripe to increase sugarcane yield across sustainably certified plantations and supply bioethanol fuel primarily to the domestic market. Through its operations, the company will also generate additional local economic benefits by supporting over 7,000 permanent jobs in high-poverty and rural regions.



GENDER EQUALITY

- Strengthen gender-inclusive business practices:** Women remain underrepresented in Brazil's energy sector. Usina Coruripe is committed to deliver a gender action plan (GAP) to promote women's representation in its workforce, including through actions such as targeted recruitment campaigns in local communities and schools, tailored training programs for women in operational and technical roles (e.g., machinery operation, welding, mechanics), and unconscious bias training for management teams. Usina Coruripe's commitment to gender equality is evidenced as a WEPs Signatory since 2019.



CLIMATE AND NATURE ACTION

- Support the decarbonization of the transport sector:** This transaction is expected to contribute to Brazil's climate change mitigation and biofuel blending requirements. By supporting Usina Coruripe's bioethanol production from sugarcane plantations certified under the Bonsucro or ISCC Corsia Plus sustainability standards, it is estimated that over 400,000 tCO₂e will be avoided over eight years. Thus, the full investment is considered climate change mitigation finance.

Summary of Environmental and Social Assessment and Related Risk Mitigation Measures

The review was conducted in accordance with FinDev Canada's Environmental and Social (E&S) Risk Policy. The transaction is classified as **Category A** due to the inherent E&S hazards typically associated with agricultural and biofuel processing operations of this scale, with potentially significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented.

FinDev Canada's E&S due diligence was conducted between May and August 2025, through track-record reviews, direct engagement with the client's representatives and E&S personnel, an assessment of relevant documentation, and a site visit undertaken with an independent E&S consultant to Usina Coruripe's facilities in Minas Gerais and Alagoas, Brazil in August 2025.

FinDev Canada's assessment applied the IFC Performance Standards, along with applicable Brazilian environmental and social requirements and the World Bank Group (WBG) Environmental, Health and Safety (EHS) Guidelines (April 2007), including the sector-specific guidelines for Annual Crop Production and Sugar Manufacturing. The applicable IFC Performance Standards for this investment are PS1 through PS6, each applicable due to the nature of the company's operations and its supply chain activities.

The key E&S risks associated with Usina Coruripe's operations are: (1) labour and working conditions for both direct employees and contracted workers, particularly within the primary supply chain; (2) potential human rights, contextual, and reputational risks related to forced labour concerns in Brazil's biofuel sector; and (3) climate-related risks linked to water-use efficiency in primary production.

These risks are mitigated by the company's Sustainability Policy, ISO-certified management systems (ISO 9001, ISO 14001, ISO 45001), and periodic risk assessments, with identified gaps addressed through a joint Environmental and Social Action Plan (ESAP).

For further information on Usina Coruripe's sustainability commitments and E&S Policies and reports, visit: [Usina Coruripe | Sustainability - Environmental](#).