

B Lab Statement on Courageous Land's B Corp Certification

B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for agribusiness producers in Brazil:

Companies in the Brazilian agribusiness production industry operating in the Amazon, Cerrado & Atlantic forest biomes¹ are eligible for B Corp Certification as long as they meet the following requirements:

- 1. **Deforestation**: The Company is compliant with the Brazilian Forest Code (CAR, APP, RL & PRA requirements), including but not limited to no illegal deforestation since July 2008, as stipulated in the Forest Code. Further, the company has a formalized no-conversion policy for natural ecosystems for their own operations and future plans, mentioning a cut-off date of Jan 1, 2020² (or before).
- 2. Land conflicts: The company complies with all pertinent Brazilian legislation, including not operating on lands designated as protected areas or indigenous areas. The company has adequate and formalized policies and processes to uphold the rights of historic land owners and avoid land disputes. This could include a formal commitment to respecting land rights of indigenous peoples and practices such as identification and assessment of protected areas, indigenous lands and other areas of natural and cultural significance in the company's vicinity, dialogue and engagement with communities, grievance mechanisms for community members as well as evidence of having resolved any disputes in the past.
- 3. Additional Requirements Specifically for Cattle Ranches: Companies have formalized policies and processes in place to at least pursue the mitigation of risks of deforestation/land conversion, land encroachment and conflicts, and forced labor for feed and livestock suppliers, along with ongoing monitoring. This could include practices such as supplier screening based on location, documentation, and G4 agreement criteria, supply chain mapping, supplier code of conduct, audits for verification, geospatial monitoring, etc., for at least significant direct suppliers that are producers and potentially for indirect suppliers.

Companies meeting the above requirements will be required to make transparent their practices on the above topics on their B Corp profile, as well as other relevant practices

² To meet this requirement, a company cannot have converted land after January 1st 2020 and needs to have a formal no-conversion policy that states that no-conversion is permitted at least from January 1st 2020, even if the policy is instituted retroactively.



including their management of labor rights (which, while material to the industry, is covered through the standard certification requirements and thus not called out separately above). Companies will also undergo a background check to independently affirm that there are no flags regarding the above topics, including a review of any recent and significant land acquisition, deforestation and land conversion practices in the last few years.

Companies having certifications such as the RTRS, RFA, FSC, RSPO that cover their **entire** production will be meeting the above requirements. These requirements apply to agribusiness producers and exclude natural forest management companies, for whom a separate process may be required in the absence of FSC certification.

Courageous Land is required to disclose a summary of its practices in the above-mentioned areas as a part of its B Corp Certification. For more information on the review process, please refer to B Lab's position statement on Agribusiness Producers in Brazil and B Corp Certification here.

Summary of the company

<u>Courageous Land</u> works with reforestation and conservation projects through agroforestry systems, meeting the growing demand for food, ingredients, hardwoods, and carbon credits. Their work involves the implementation of agroforests and the development of technologies to support planning, business management, operations, and scaling through the <u>Agroforestry Intelligence Platform</u>.

Courageous Land's Policies and Practices

Courageous Land complies with local and national legislation and abides by the Brazilian Forest Code and has not received any fines for non-compliance from IBAMA (*Brazilian Institute of Environmental and Renewable Resources*) in the last 5 years.

As of the date of B Lab's assessment, Courageous Land operates in two locations:

- Vista Alegre Farm, located in Rorainópolis, Roraima, within the Amazon Forest, is a privately owned property. The company has demonstrated compliance with environmental licensing procedures. It has obtained both its installation license and forest replacement plan approval from the relevant local authorities. Additionally, the property was issued the Roraima Certificate of Environmental Regularity (CRRA). This certificate, granted by the state's environmental agency, confirms that the company is in full compliance with the environmental obligations established under Roraima state legislation. The company is committed to complying with all stages of the environmental licensing process.
- Raízes Farm, located in São Luiz do Paraitinga, São Paulo, within the Atlantic Forest, is the site of a signed partnership between Courageous Land and the



property owner to develop a small-scale pilot project involving 5 (five) hectares of reforestation using agroforestry techniques. According to CETESB, for areas smaller than 1,000 hectares in São Paulo, the cultivation of temporary, semi-perennial, and perennial agricultural species is exempt from environmental licensing.

Deforestation

Courageous Land has an environmental protection policy, called Policy Against Deforestation and for the Promotion of Biodiversity, that, among other commitments, includes the following:

- Zero Deforestation: Courageous Land does not finance, engage in, or support practices that promote illegal deforestation as defined by the Brazilian Forest Code, in accordance with the historical cutoff date of July 2008.
- Ecosystem Conservation: The company does not carry out, encourage, or finance the conversion of native ecosystems into agricultural land in our current or future operations, respecting the historical cutoff date of January 1, 2020.

Courageous Land is a company dedicated exclusively to productive restoration through diversified agroforestry systems. Their primary goal is to transform degraded pastures and monocultures into productive ecosystems that mimic the structure and function of natural forests.

Land Conflicts

Courageous Land's projects are not located in protected and/or indigenous areas. The company complies with all pertinent Brazilian legislation, including not operating on lands designated as protected areas or indigenous areas. The company has a Policy on Land Governance and Respect for Territorial Rights were they commit to the following:

- Respecting the legal and customary land tenure rights,
- Avoiding any involvement in land conflicts by conducting due diligence before any field activities,
- Promoting dialogue and obtaining free, prior, and informed consent (FPIC) from traditional and Indigenous communities, in accordance with international standards,
- Establishing mechanisms for listening, reporting, and resolving land conflicts.

Courageous Land stated that it has not had any land disputes with neighboring communities.

B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through <u>B Lab's Public</u> <u>Complaint Process</u>. Grounds for complaint include:



- 1. Intentional misrepresentation of practices, policies, and/or claimed outcomes during the <u>certification process</u>, or
- 2. Breach of the core values articulated in our <u>Declaration of Interdependence</u> within the B Corp Community.