

(Convenience translation into English from the original
previously issued in Portuguese)
INSTITUTO DO HOMEM E MEIO AMBIENTE
DA AMAZÔNIA - IMAZON

Independent auditor's report

Financial statements
As at December 31, 2024

INSTITUTO DO HOMEM E MEIO AMBIENTE DA AMAZÔNIA - IMAZON

Financial statements
As at December 31, 2024

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the
Managers, Directors and Partners of
Instituto do Homem e Meio Ambiente da Amazônia - IMAZON
Belém - PA

Opinion on the financial statements

We have audited the financial statements of Instituto do Homem e Meio Ambiente da Amazônia - IMAZON ("IMAZON" or "Institute"), which comprise the statement of financial position as at December 31, 2024, and the respective statements of activities, changes in net assets and cash flows for the year then ended, as well as the corresponding notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Instituto do Homem e Meio Ambiente da Amazônia - IMAZON as at December 31, 2024, its financial performance and its cash flows for the year then ended in accordance with the Brazilian accounting practices, applicable to non-profit entities.

Basis for opinion on the financial statements

We conducted our audit in accordance with Brazilian auditing standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Institute in accordance with the relevant ethical principles established in the Code of Ethics for Professional Accountants and in the professional standards issued by the Brazilian Federal Council of Accounting (CFC), and we have fulfilled our other ethical responsibilities in accordance with these standards. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with governance for the financial statements

The Management of the Institute is responsible for the preparation and fair presentation of these financial statements in accordance with Brazilian accounting practices, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are 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 standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian auditing standards, 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 controls;
- Obtain an understanding of internal controls 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 Institute's internal controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and 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 Institute's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Institute to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.



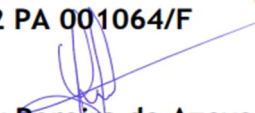
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

Belém, September 04, 2025.



BDO RCS Auditores Independentes SS Ltda.
CRC 2 PA 001064/F


Otony Pereira de Azevedo
Accountant CRC 1 RS 089761/O-3 T - PA

INSTITUTO DO HOMEM E MEIO AMBIENTE DA AMAZÔNIA - IMAZON

Statements of financial position
As at December 31, 2024 and 2023
(In thousands of Reais)

Assets				Liabilities and net assets			
	Note	2024	2023		Note	2024	2023
Current				Current			
Cash and cash equivalents	4	48.247	34.876	Trade accounts payable		89	45
Advances	5	751	909	Payroll and social charges		1.080	705
Accounts receivable		8	7	Tax liabilities		15	81
		49.006	35.792	Advances received		-	100
				Obligations with project resources	7 b)	46.150	33.737
						47.334	34.669
Noncurrent				Noncurrent			
Property, plant and equipment (PPE)	6	1.084	1.285	Obligations with project resources	6.b	990	1.199
Intangible assets		46	64			990	1.199
		1.130	1.349				
				Net assets			
				Net assets	10	1.812	1.272
						1.812	1.272
Total assets		50.136	37.141	Total liabilities and net assets		50.136	37.141

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

INSTITUTO DO HOMEM E MEIO AMBIENTE DA AMAZÔNIA - IMAZON

Statements of activities

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

	Note	2024	2023
Net revenues			
Unrestricted revenues	11	86	281
Restricted revenues	11	24.683	22.372
Total net revenues		24.769	22.653
Operating costs			
Unrestricted costs	12	(49)	(68)
Restricted costs	7.a	(24.683)	(22.372)
Total cost		(24.732)	(22.440)
Gross surplus		37	213
Other operating revenues		2	-
Administrative expenses	13	(133)	(274)
Surplus before financial income (loss), net		(94)	(61)
Financial revenues	14	752	290
Financial expenses	14	(119)	(133)
Financial income, net		633	157
Net surplus for the year		540	96
The accompanying notes are an integral part of these financial statements.			

INSTITUTO DO HOMEM E MEIO AMBIENTE DA AMAZÔNIA - IMAZON

Statements of comprehensive income
For the years ended December 31, 2024 and 2023
(In thousands of Reais)

	2024	2023
Net surplus for the year	540	96
Other comprehensive surplus (deficit)	-	-
Total comprehensive surplus for the year	540	96
The accompanying notes are an integral part of these financial statements.		

INSTITUTO DO HOMEM E MEIO AMBIENTE DA AMAZÔNIA - IMAZON

Statements of changes in net assets

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

	Net assets	Accumulated surplus	Total
Balance as at December 31, 2022	1.176	-	1.176
Net surplus for the year	-	96	96
Incorporation of surplus for the year	96	(96)	-
Balance as at December 31, 2023	1.272	-	1.272
Surplus for the year	-	540	540
Incorporation of surplus for the year	540	(540)	-
Balance as at December 31, 2024	1.812	-	1.812

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

INSTITUTO DO HOMEM E MEIO AMBIENTE DA AMAZÔNIA - IMAZON

Statements of cash flows - indirect method

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

	2024	2023
Cash flows from operating activities		
Net surplus for the year	540	96
Adjusted for		
Depreciation/amortization for the period	11	22
	551	118
Changes in assets and liabilities, current and noncurrent		
Advances	158	(357)
Accounts receivable	(1)	97
Trade accounts payable	44	(106)
Payroll and social charges	375	78
Tax liabilities	(66)	4
Obligations with project resources	12.410	25.718
Advances received	(100)	-
Net cash flows from operating activities	13.371	25.552
Cash flows from investing activities		
Acquisition of PPE - unrestricted	-	(13)
Net cash flows from investing activities	-	(13)
Net increase in cash and cash equivalents	13.371	25.539
Cash and cash equivalents at beginning of period	34.876	9.337
Cash and cash equivalents at end of period	48.247	34.876
Net increase in cash and cash equivalents	13.371	25.539
The accompanying notes are an integral part of these financial statements.		

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

1. Operations

Instituto do Homem e Meio Ambiente da Amazônia - IMAZON ("Institute" or "Entity") is a private civil nonprofit organization, established on July 10, 1990, whose headquarters is located at Travessa Dom Romualdo de Seixas, 1698, 11º andar, Umarizal, Belém - PA. The Institute has the purpose of promoting sustainable development of the Amazon by means of studies, support to the creation of public policies, widespread delivery of its results and professional training. It is mainly engaged in:

- The development of studies and research on the sustainable use of the Amazon's natural resources;
- The contribution to the effective adoption of sustainable practice and life quality in the Amazon; and
- The promotion of education programs and training courses focused on the regional sustainable development.

The Institute is classified, as per Law No. 9.790, of March 23, 1999, as a Public Interest Civil Society Organization (Organização da Sociedade Civil de Interesse Público - OSCIP). The Institute obtained the certificate of qualification as an OSCIP on March 03, 2006, issued by the Federal Department of Justice in accordance with Ordinance No. 361, of July 27, 1999, and its activities are within the academic, cultural and scientific area, in order to promote the involvement of Brazilian civil society in the search for sustainable development and biodiversity preservation.

The intrinsic characteristics of social programs are based on the following main factors: (i) raising of financial resources to execute its programs, by means of donation and long-term international cooperation agreements; and (ii) design and management of long-term programs. In this context, the achievement of the program objectives is directly connected to its governance and long-term technical, operational and financial planning.

Financial resources the Institute receives financially support both the programs and the strategic planning established by Management. The existing strategies support the ongoing programs, which continued in 2024 and will continue over the coming years.

For that reason, deficits or surpluses in those programs shall not be understood as regarding their economic and financial feasibility or unfeasibility, since all programs are implemented over the long term and the Institute's strategic planning takes into account total financial resources receivable, as well as the timing and the physical form for the expense of resources.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

To expand its activities, the Institute is adjusting its actions as follows:

- (i) Strategic planning for each program in the long-term horizon, without necessarily following financial years or periods; and
- (ii) Program governance by means of a schedule of activities intended for the projects' needs.

2. Basis of preparation and presentation of the financial statements

a. Statement of compliance

The financial statements were prepared in accordance with Brazilian accounting practices applicable to small and medium-sized entities (NBC TG 1000 (R1) - Accounting for Small and Medium-sized Entities) and with the provisions applicable to the nonprofit entities (ITG 2002 (R1) - Nonprofit Entities), both issued by the Brazilian Federal Council of Accounting (CFC).

The issue of the financial statements for the year ended December 31, 2024 (which include all relevant information corresponding to the ones used to manage the Institute) was authorized by Management on September 04, 2025.

All relevant information on the financial statements, and only such information, is being evidenced and corresponds to that used by Management in its administration.

b. Measurement basis

The financial statements were prepared based on the historical cost principle, which is the method traditionally used to measure assets and liabilities. According to this principle, assets are recorded at their acquisition cost, while liabilities are recorded at the amount originally incurred.

However, it is important to point out that nonderivative financial instruments are measured at fair value through profit or loss as required by applicable accounting standards. This means that changes in the fair value of those instruments are recognized directly in the statement of activities of the period in which they occur, where applicable.

This measurement approach aims to provide relevant and reliable information about the financial situation of the Entity, properly reflecting the economic value of its assets and liabilities.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

c. Functional and reporting currency

The financial statements are presented in Brazilian Reais (R\$), which is the functional and reporting currency of the Institute. All the balances in thousands of Brazilian Reais were rounded to the closest thousand, unless otherwise stated.

d. Use of estimates and judgment

The preparation of financial statements in accordance with the Brazilian accounting practices applicable to Small and Medium-sized Entities, requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Actual results may differ from those estimates.

Estimates and assumptions are continually reviewed. Reviews of accounting estimates are recognized in the period in which they took place and in any future periods affected. The significant estimates and judgments are included in the following notes:

- Note 06 - Property, plant and equipment (PPE): useful life considered in assessing depreciation;
- Note 08 - Contingencies: disputes bearing financial disbursement perspectives.

e. Existing standards, amendments and interpretations not in effect, not adopted in advance by the Institute

The Committee of Accounting Pronouncements (CPC) issued new standards for large entities, effective as from 2021. Aspects from these standards, when included to the Technical Pronouncement PME - Accounting for Small and Medium-sized Entities (SMEs), may affect the Institute's financial statements. Management will assess the effects of new standards as soon as they are issued.

3. Material accounting policies

The accounting policies described in detail below have been consistently applied by the Entity to the years reported in these financial statements.

a. Foreign-currency transactions and balances

Transactions in foreign currency are translated into the Institute's functional currency according to the exchange rates on the transaction dates.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

Monetary assets and liabilities denominated and calculated in foreign currency are retranslated into the functional currency at exchange rates as at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies and measured at fair value are retranslated to the functional currency at the exchange rate on the date fair value was calculated. Non-monetary items stated at historical cost in foreign currency are translated using the exchange rate prevailing as at transaction date.

b. Financial instruments

(i) Nonderivative financial assets

The Institute initially recognizes loans, receivables and deposits on the date they are originated. All other financial assets are initially recorded on the negotiation date, in which the Institute becomes a party to the contractual provisions of the instrument.

The Institute does not recognize a financial asset when the contractual rights to the cash flows of the asset expire, or when the Institute transfers the rights to receive contractual cash flows of a financial asset in a transaction in which virtually all risks and benefits of ownership of the financial asset are transferred.

Financial assets or liabilities are offset and the net amount is reported in the statement of financial position only when there is a legally enforceable right to offset the amounts and intention to settle them on a net basis or to simultaneously realize the asset and settle the liability.

As established in CPC PME Section 11 - Basic Financial Instruments, paragraph 11.21, the business model adopted by the Institute uses its assets until maturity in order to receive contractual cash flow. The type of participation does not include the negotiation or sale of financial assets. Thus, the form of valuation of its financial assets and liabilities is classified as other types, which considers updated acquisition cost less probable losses (amortized cost).

There were no operations with derivative financial instruments during 2024.

(ii) Nonderivative financial liabilities

The Institute initially recognizes debt securities issued and subordinated liabilities on the date they are created. All other financial liabilities (including liabilities designated at fair value recognized in the statement of activities) are initially recognized on the negotiation date in which the Institute becomes a party to the instrument agreement provisions. The Institute writes off a financial liability when its contractual obligations are withdrawn, cancelled or overdue.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

The Institute classifies non-derivative financial liabilities as other financial liabilities. Such financial liabilities are initially recognized at fair value plus any attributable transaction costs. After initial recognition, they are measured at amortized cost using the effective interest rate method.

The Institute has the following nonderivative financial liabilities: trade accounts payable and obligations with project resources.

c. Cash and cash equivalents

They include balances of cash and financial investments with original maturity of 90 days or less as of the hire date.

These assets are valued at current market value, which consists of the application value plus income earned up to the end of the fiscal year. They are considered cash equivalents due to their high liquidity and the negligible risk of change in value in the short term.

d. PPE

(i) Recognition and measurement

The Institute's PPE include assets acquired with funds from partnership contracts exclusively intended to the implementation of the projects. There are presented separately as "restricted use assets" in PPE Note.

Restricted use assets are recorded when there is outflow of bank funds, against current liabilities account "Obligations with project resources". Simultaneously, the asset is recorded in PPE (Restricted use assets), against noncurrent liabilities account "Obligations with project resources".

By the end of the project, the balance of restricted use PPE is transferred to the unrestricted PPE account and the liabilities offset account is written off against revenues from donations, given that the assets are historically donated to the Institute.

PPE items are measured at historical acquisition or construction cost, less accumulated depreciation and accumulated impairment, if any.

Cost includes expenses that are directly attributable to an asset's acquisition.

Gains or losses arising from disposal of a PPE item are determined as the difference between the estimated net disposal proceeds and the book value of the asset and should be recognized net as other revenues in the statement of activities.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reals)

(ii) Subsequent costs

The cost of replacement of a PPE item is recognized at the book value of the item, if it is probable that the associated economic benefits will flow to the Institute and that its cost can be reliably measured. The book value of an item that has been replaced with another is written off. Maintenance costs of PPE are recognized in the statement of activities as incurred.

(iii) Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or another substitute amount, during its useful life.

The depreciation of unrestricted assets is recognized in the statement of activities on a straight-line basis over the estimated useful lives of each asset item, given that this is the method that more closely reflects the consumption pattern of future economic benefits included in assets.

Depreciation of restricted assets (exclusively intended for the execution of projects) is recorded in a PPE offset account, as against "Obligations with project resources", in noncurrent liabilities, under the straight-line method related to the useful life of each PPE item.

The depreciation methods, useful lives and residual amounts are reviewed at every reporting date and possible adjustments are recognized as a change in accounting estimates.

The annual estimated depreciation rates of PPE are as follows:

Improvements and facilities	2.5%
Vehicles	10%
Machinery and equipment	10%
Communication equipment	10%
IT equipment	20% to 50%
Furniture and fixtures	20%

e. Impairment

(i) Nonderivative financial assets

Financial assets not measured at fair value through profit or loss are valued every reporting date to determine if there is objective evidence that their value has been impaired. An asset is recognized as impaired when objective evidence indicates that such loss happened after its initial recognition and that it negatively affected future cash flows projected that could be reliably estimated.

Objective evidence that financial assets have been impaired may include the nonpayment or delay in payment by the debtor, restructuring the amount due to the Institute under conditions that it would not consider in other transactions, indication that the debtor or issuer will go bankrupt, or no longer existence of an active market for the note.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

Management annually assesses impairment triggers to evaluate the need of reviews of the net book value of assets with the purpose of evaluating events or changes in economic, operating or technological circumstances that may indicate impairment loss. When such evidence is identified and the net book value is higher than the recoverable value, an impairment loss is recognized to adjust the net book value to recoverable value.

(ii) Nonfinancial assets

The book values of the Institute's nonfinancial assets are reviewed on every reporting date to verify if there is indication of impairment loss. If evidence of impairment is found, the asset's recoverable value is determined. The recoverable value of an asset is the higher between value in use and fair value, less selling expenses. An impairment loss is recognized in case the book value exceeds its estimated recoverable value. If any, loss on value are recognized in the statements of activities.

Management did not identify any evidence of impairment of its nonfinancial assets. Therefore, it was not necessary to estimate recoverable values for assets.

f. Provisions

Provisions are recognized when the Institute has an actual obligation (legal or informal) as a result of past events, funds are likely to be necessary to settle this obligation and a reliable estimate of its amount can be made. When the Institute expects the amount of a provision to be reimbursed, fully or partially, by means of an insurance contract, for example, this reimbursement is recognized as a separate asset, but only when its realization is considered virtually certain. Expenses related to any provision are presented in the statement of activities, net of reimbursement.

The provisions are calculated by means of the discount of future cash flows estimated at a rate before taxes that reflects current market valuations of the time value of money and the specific risks of the obligation. The effects of derecognition of the discount over time are recognized in the statements of activities as financial expenses.

Labor provisions arise from the legal obligation of recording employee rights. As provision for vacation pay, the Institute calculates 1/12 of the employee's monthly base salary plus 1/3 for every month, until the employee reaches 12 consecutive months, when he acquires the right to take its vacation period. The year-end bonus is calculated by the Institute as 1/12 of the employee's monthly base salary, from January to December, when payment is made. Every employee has the right to yearly take a paid vacation period.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

g. Employee benefits

Obligations for short-term benefits to employees are recognized as personnel expenses as the corresponding service is rendered. The corresponding liability is recognized at the amount expected to be paid if the Institute has a present legal or constructive obligation to pay the amount in consideration for past services rendered by the employee, and such obligation can be reliably estimated.

The Institute does not grant employees or managers long-term benefits.

h. Results of activities

The recognition of revenue and expenses is carried out according to the accrual basis, which means that they are recorded in the period in which they are generated, regardless of when the cash flow is received or paid.

The information on operating revenues and expenses complies with the guidelines set out in ITG 2002 Interpretation (R1) - Nonprofit Entities. This interpretation addresses the disclosure of revenues and expenses by type of activities and adopts characteristics similar to the statement of activities by type, as required by the new accounting pronouncements.

i. Project resources

Obligations with project resources are recorded under the account "Obligations with project resources" when resources are received from funders, against the account "Cash and cash equivalents", and written off as of the payment of the respective project expenses, recorded on the accrual basis.

j. Recognition of revenues and expenses

Expenses and revenues are recognized on the accrual basis:

- Receipt of resources: When resources are received, a debit is recorded in cash and cash equivalents, with credit of unrealized expenses recorded in "Obligations with project resources" in current liabilities;
- Consumption as cost: When expenses on projects occur, the account "Obligations with project resources", in current liabilities, is debited against trade accounts payable (for further financial settlement). Simultaneously, restricted costs are recorded in statements of activities against restricted revenues;
- Rendering of services: Revenue from services rendered is recognized in the statement of activities based on the stage of completion of the service as at the reporting date. The stage of completion is assessed by reference to the researches of work performed;

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

- Management fees: Revenue from management fees is recognized in the statement of activities based on incurred management expenses, at the limits established by the project agreements;
- Received donations and grants: Grants are recognized in the statement of activities as revenue throughout the period and crosschecked against the expenses they are intended to offset, on a systematic basis, as long as there is reasonable assurance that the Institute will meet all the conditions associated to the grant. Therefore, the recognition of revenue arising from donations and government grants upon receipt is only allowed when there is no basis of appropriation through the periods considered.

k. Financial revenues and expenses

The Institute's financial revenues and expenses comprise:

- Interest gains and losses;
- Net gains from/losses on financial assets measured at fair value through profit or loss; and
- Net exchange rate gains from (losses on) financial assets and liabilities.

Interest expenses and revenues are recognized in the statement of activities under the effective interest rate method.

l. Taxation

The Institute is an OSCIP and, therefore, it is exempt from Income and Social Contribution Taxes.

A nonprofit organization is an entity that does not present surplus in its accounts or, if presenting it in a certain year, the value is fully allocated to the maintenance and development of its activities (Law No. 9.532/97, Article 15, Paragraph 3, amended by Law No. 9.718/98, Article 10).

The Institute also benefits from the exemption from Contribution to the Social Integration Program (PIS) on own revenue, in accordance with CF/88, Art. 195, paragraph 7.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reals)

3.8 New or revised pronouncements applied for the first time in 2024

The CFC separately issued the Standard for application to general financial statements of SMEs, a set composed by private entities and entities that are not required to make public their accounts. This Standard is named: Accounting for Small and Medium-sized Entities.

The term small and medium-sized entities adopted in this Standard does not include (i) public entities regulated by the Brazilian Securities and Exchange Commission (CVM); (ii) large entities, as defined in Law No. 11.638/07; (iii) the entities regulated by the Central Bank of Brazil, the Superintendence of Private Insurance and other entities whose accounting practice is dictated by the corresponding regulatory body with legal power for that purpose.

The CFC expects to propose amendments by publishing a draft for discussion periodically, but not more often than approximately once every three years. By developing these drafts for discussion, it expects to consider new standards and amendments to existing ones, as well as specific problems that have been brought to its attention regarding the application of this standard. Depending on the occasion, it may identify an urgent issue for which an amendment may need to be considered out of the periodic review process. However, it is expected that such occasions will be rare.

Between January 01 and December 31, 2024, relevant amendments to the accounting standard applicable to Small and Medium-sized Companies (PMEs) came into effect, as reviewed by NBC TG 1000 (R1), through NBC 23, issued by the Brazilian Federal Council of Accounting (CFC).

NBC 23 was published on December 07, 2023, effective from that date and mandatory for the years beginning on or after January 01, 2024. The amendments aim to align the Brazilian standard with international updates, especially with regard to tax aspects and the adoption of more consistent accounting practices. The main changes include:

- Inclusion of Items 29.3A, 29.42 and 29.43, related to the recognition and disclosure of taxes on income;
- Amendments to Item 29.38 and line "d" of Item 35.10, with impacts on the presentation of financial statements and mandatory disclosures.

Management assessed the effects of these amendments and concluded that, although relevant from a regulatory perspective, they did not result in material impacts on the financial statements already presented by the Entity in the comparative year.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

4. Cash and cash equivalents

	2024	2023
Unrestricted resources		
Bank checking accounts	1,667	1,188
Financial investments (a)	2	2
	<u>1,669</u>	<u>1,190</u>
Restricted resources		
Bank checking accounts	19,221	6,188
Financial investments (a)	27,357	27,498
	<u>46,578</u>	<u>33,686</u>
	<u>48,247</u>	<u>34,876</u>

- (a) The financial investments basically refer to bank certificates of deposit (CDB) and fixed-income funds, whose return rates ranges from 90% to 100% of the Interbank Deposit Rate (CDI), and 6.7% according to the Benchmark Rate (TR), whose returns were R\$ 3,302 in 2024 (R\$2,935 in 2023, being R\$ 290 unrestricted). The breakdown of investment accounts is as follows:

	2024	2023
Bank Certificates of Deposit (CDB)	27,357	27,498
Savings account	2	2
	<u>27,359</u>	<u>27,500</u>

The use of financial resources connected to projects is restricted to investment in projects, according to contractual provisions, but their transactions within financial institutions are not restricted.

Financial income from the investment of funds linked to projects is recorded in liability, linked to the respective project. For the year ended December 31, 2024, these linked funds yielded R\$ 2,550 (R\$ 2,645 in 2023), see Note 7a. Income from the Institute's funds is recorded in the statement of activities, as financial revenue, see Note 14.

5. Advances

	2024	2023
Advances to partners (a)	591	630
Advances for travel	72	24
Advances to employees	39	36
Advances to suppliers	49	77
Others		142
	<u>751</u>	<u>909</u>

- (a) Advances to third parties that render services during the execution of projects.

Notes to the financial statements

For the years ended December 31, 2024 and 2023

(In thousands of Reais)

6. Property, plant and equipment (PPE)

a. Unrestricted PPE

Description	Changes				2023
	2022	Additions	Write-offs	Transfers	
Improvements and facilities	145	-	-	-	145
Machinery and equipment	94	4	(10)	-	88
Communication equipment	129	4	-	-	133
IT equipment	372	2	(24)	-	350
Furniture and fixtures	241	3	(4)	-	240
Total cost	982	13	(38)	-	956
Improvements and facilities	(31)	(4)	-	-	(31)
Machinery and equipment	(85)	(1)	10	-	(85)
Communication equipment	(116)	(3)	-	-	(116)
IT equipment	(365)	(2)	24	-	(365)
Furniture and fixtures	(233)	(5)	4	-	(233)
Accumulated depreciation	(830)	(15)	38	-	(807)
Net book balance, unrestricted	152	(2)	()	-	149

Description	Changes				2024
	2023	Additions	Write-offs	Transfers	
Improvements and facilities	145	-	-	-	145
Machinery and equipment	88	-	-	-	88
Communication equipment	133	-	-	-	133
IT equipment	350	-	(12)	-	337
Furniture and fixtures	240	-	(10)	-	230
Total cost	956	-	(27)	-	933
Improvements and facilities	(35)	(4)	-	-	(38)
Machinery and equipment	(76)	(2)	5	-	(77)
Communication equipment	(119)	(3)	-	-	(122)
IT equipment	(343)	(1)	12	-	(330)
Furniture and fixtures	(234)	(2)	10	-	(226)
Accumulated depreciation	(807)	(11)	27	-	(790)
Net book balance, unrestricted	149	(11)	-	-	143

INSTITUTO DO HOMEM E MEIO AMBIENTE DA AMAZÔNIA - IMAZON

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b. Restricted PPE

Description	Changes				2023
	2022	Additions	Write-offs	Transfers	
Improvements and facilities	143	-	(24)	-	143
Vehicles	406	147	(25)	-	406
Machinery and equipment	391	34	(172)	-	391
Communication equipment	131	56	-	-	131
IT equipment	1,673	142	(133)	-	1,673
Furniture and fixtures	117	3	(8)	-	117
Total cost	2,861	382	(362)	-	2,861
Improvements and facilities	(23)	(3)	1	-	(25)
Vehicles	(143)	(31)	-	-	(174)
Machinery and equipment	(118)	(28)	42	-	(105)
Communication equipment	(46)	(14)	-	-	(60)
IT equipment	(1,132)	(246)	92	-	(1,286)
Furniture and fixtures	(86)	(14)	5	-	(95)
Accumulated depreciation	(1,548)	(336)	140	-	(1,746)
Net book balance, restricted	1,313	46	(222)	-	1,136
Total net PPE (a+b)	1,465	44	222	-	1,285

Description	Changes				2024
	2023	Additions	Write-offs	Transfers	
Improvements and facilities	119	-	-	-	119
Vehicles	528	125	(247)	-	406
Machinery and equipment	253	41	(10)	-	284
Communication equipment	187	25	-	-	212
IT equipment	1,683	142	(24)	-	1,801
Furniture and fixtures	112	-	(2)	-	110
Total cost	2,882	333	(278)	-	2,931
Improvements and facilities	(25)	(4)	-	-	(29)
Vehicles	(174)	(32)	6	-	(200)
Machinery and equipment	(105)	(21)	4	-	(122)
Communication equipment	(60)	(17)	-	-	(77)
IT equipment	(1,286)	(200)	23	-	(1,463)
Furniture and fixtures	(95)	(7)	2	-	(100)
Accumulated depreciation	(1,746)	(281)	36	-	(1,991)
Unrestricted and restricted PPE - 2024	1,136	52	242	-	940
Total net PPE (a+b)	1,285	41	(242)	-	1,084

Unrestricted PPE items of the Institute are measured at historical acquisition or construction cost, less accumulated depreciation and accumulated impairment, if any. The acquisitions derive from own resources or from end-of-project allocations that enable the asset to be transferred to the institute. The balance of restricted use PPE is transferred to the unrestricted PPE account and the liabilities offset account is written off against revenues from donations, given that the assets are historically donated to the Institute.

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7. Obligations with project resources

Resources from partnerships, contracts and agreements that have specific allocation, restricted to use in projects, are classified upon receipt under "Obligations with project resources", in current liabilities.

The respective expenses realized are recorded on the same group, under a liability offset account. The Institute's indirect expenses are allocated between projects as agreed in each partnership, contract or agreement, and according to its materiality.

Expenses are segregated by donor, considering the use of human resources and materials, with no transfer between donors.

7.a) Financial change in obligations with resources

The project transfers are used for maintenance of operations, the totality of resources used correspond to restricted costs and revenues as per material policies "i. Projects resources" and "j. Recognition of revenues". The corresponding changes for the year, restricted and unrestricted resources, and investment of resources are stated below:

Description	Note	2023		
		Restricted resources	Unrestricted resources	Executed Total
Funds raised				
Transfers to projects	7.b	45,448	-	45,448
Financial revenues	7.b and 14	2,645	290	2,935
Sundry revenues	11	-	67	67
Revenue from services	11	-	408	408
Deductions	11	-	(192)	(192)
Total fundraising - operational		48,093	572	48,664
Use of resources				
Salaries, social charges and benefits	12 (i)	(7,546)	-	(7,546)
Consulting and other services		(8,368)	(172)	(8,540)
PPE	6.b	(382)	(13)	(495)
Travel expenses		(1,586)	(33)	(1,619)
Publication/Dissemination/ Events		(74)	-	(74)
Rent expenses		(323)	-	(323)
Utilities and services		(110)	-	(110)
Expenses on freight		-	-	-
Taxes and fees		(22)	(3)	(25)
Communication expenses		(520)	-	(520)
Expenses on materials		(36)	-	(36)
Financial expenses		(484)	-	(484)
Expenses on insurance		(87)	-	(87)
Maintenance expenses		(47)	(3)	(50)
Meals reimbursements		(6)	(13)	(19)
Management fees		-	(90)	(90)
Transfers to subcontracts		(2,601)	-	(2,601)
Total resources used - operational		(22,192)	(329)	(22,699)

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Description	Note	2024		Executed Total
		Restricted resources	Unrestricted resources	
Funds raised				
Transfers to projects	7.c	34,552	-	34,552
Financial revenues	7.c and 14	2,550	752	3,302
Sundry revenues	11	-	14	14
Revenue from services	11	-	79	79
Deductions	11	-	(4)	(4)
Total fundraising - operational		<u>37,102</u>	<u>841</u>	<u>37,943</u>
Use of resources				
Salaries, social charges and benefits	12 (i)	(8,215)	(49)	(8,269)
Consulting and other services		(9,806)	(54)	(9,855)
PPE	6.b	(559)	(11)	(570)
Travel expenses		(2,823)	-	(2,823)
Publication/Dissemination/ Events		(137)	-	(137)
Rent expenses		(365)	-	(365)
Utilities and services		(123)	-	(123)
Taxes and fees		(24)	-	(25)
Communication expenses		(128)	-	(128)
Expenses on materials		(41)	-	(41)
Financial expenses		(466)	(119)	(585)
Expenses on insurance		(50)	-	(50)
Maintenance expenses		(127)	-	(127)
Other expenses on cafeteria		(26)	-	(26)
Other operating expenses		-	(10)	(10)
Transfer to subcontracts		(1,799)	-	(1,799)
Total resources used - operational		<u>(24,689)</u>	<u>(243)</u>	<u>(24,933)</u>

7.b) Reconciliation of restricted resource changes

The transfers and their respective uses are presented below, with the aim of reconciling the balance of obligations:

	Note	2024	2023
Initial balance		33,737	8,018
Restricted receivables	7.a	34,552	45,448
Restricted revenues	7.a	<u>2,544</u>	<u>2,645</u>
		70,833	56,111
Uses in projects	7.a	(24,683)	(22,372)
Net balance, current liabilities		<u>46,150</u>	<u>33,737</u>

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7.c) Transfers received by funders

The transfers and their respective updates are presented below:

Description of the funder/Project	Transfer	Returns	Total
CLIMATE AND LAND USE ALLIANCE	27,476	2,434	29,910
NORAD 2021- 2025	4,267	72	4,340
INSTITUTO CLIMA E SOCIEDADE	2,977	7	2,984
INST ARAPYAU DE EDUCAÇÃO E DESENVOL SUSTENTÁVEL	2,051	1	2,052
IPE - INSTITUTO DE PESQUISAS ECOLOGICAS	1,700	14	1,714
FOUNDATION TO PROMOTE OPEN SOCIETY	1,670	-	1,670
INSTITUTO EL BIEN COMUM - IBC	1,520	-	1,520
VALE S.A.	2,125	1	2,126
WRI - WORLD RESOURCES INSTITUTE 'S	518	-	518
REGNSKOGSFÖRENINGEN	265	-	265
INSTITUTO DE PESQUISA AMBIENTAL DA AMAZÔNIA - IPAM	350	-	350
ENEVA SA	284	1	284
ENVIRONMETAL DEFENSE FUND	245	-	245
BNDES - BANCO NACIONAL DE DESEN. ECON. E SOCIAL	-	109	109
SKOLL FOUNDATION	-	6	6
Total	45,448	2,645	48,093

Description of the funder/Project	2024		
	Transfer	Returns	Total
BEZOS EARTH FUND	8,590	-	8,590
NORAD 2021- 2025	4,419	66	4,485
INSTITUTO ITAUSA	4,000	-	4,000
INST ARAPYAU DE EDUCAÇÃO E DESENVOL SUSTENTÁVEL	3,000	10	3,010
SKOLL FOUNDATION	2,028	-	2,028
VALE S.A.	1,900	8	1,908
INSTITUTO EL BIEN COMUM - IBC	1,872	-	1,872
INSTITUTO DE PESQUISA E E FORMAÇÃO INDÍGENA - IEPÉ	1,796	-	1,796
IPE - INSTITUTO DE PESQUISAS ECOLOGICAS	1,433	12	1,445
WRI - WORLD RESOURCES INSTITUTE 'S	1,270	-	1,270
INSTITUTO CLIMA E SOCIEDADE	1,061	-	1,061
GOOGLE LLC	725	-	725
ALCOA FOUNDATION	574	-	574
ENEVA SA	463	202	665
ASSOCIAÇÃO FUNDO DE SUSTENTABILIDADE HIDRO	440	-	440
FUNDACION AMIGOS DE LA NATURALEZA	431	-	431
ASSOCIAÇÃO VALE P/DESENVOLVIMENTO SUSTENTÁVEL	389	7	396
INSTITUTO CONEXÃO POVOS DA FLORESTA	145	-	145
THE WELLBEING PROJECT	16	-	16
CLIMATE AND LAND USE ALLIANCE	-	2,237	2,237
GORDON AND BETTY MOORE FOUNDATION	-	6	6
BNDES - BANCO NACIONAL DE DESEN. ECON. E SOCIAL	-	2	2
Total	34,552	2,550	37,102

8. Provision for legal contingencies

The Institute is subject to contingencies incidental to its business filed at courts and government agencies, regarding tax, labor, civil and other issues.

The Management periodically evaluates contingency risks based on legal, economic, and tax precepts, with the objective of classifying them as probable, possible, or remote according to their chances of loss, taking into account, as the case may be, the analysis of the legal advisors that support the Institute in its causes.

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Based on the opinion of its legal advisors, Management understands that the appropriate legal referrals and measures already taken in each situation are sufficient to preserve the Institute's assets, with no indication of the need to recognize provisions and/or disclosures referring to contingencies for 2024, as well as for 2023.

In accordance with CPC PME Accounting Standards, no provision is recognized and no disclosure is required when the probability of loss is remote. Therefore, the accounting records do not include processes with remote prognosis as stated in the legal report.

9. Related-party transactions

The Institute is a private nonprofit organization, therefore, it defines as related parties Management's key personnel. As at December 31, 2024, there are no asset or liability balances referring to related-party transactions.

Compensation of Management's key personnel includes salaries, management fees and variable benefits. Amounts disbursed for the year are broken down as follows:

	2024	2023
Total compensation to key Management personnel	<u>1,216</u>	<u>1,167</u>
	<u>1,216</u>	<u>1,167</u>

10. Net assets

Net assets

As at the reporting date, the Institute's net assets are R\$ 1,812 (R\$ 1,272 in 2023) and are changed based on the incorporation of surpluses or deficits of each year.

Surplus for the year of R\$ 540 (surplus of R\$ 96 in 2023) was transferred to net assets account, according to legal requirements and the Institute's by-laws and also to ITG 2002 (R1).

If the Institute ceases to exist, its residual net assets shall be fully transferred to non-governmental nonprofit entities, classified as OSCIPs, as per Law No. 9.790/99, and whose objectives converge with the Institute's. The recipients should be indicated at the same General Meeting in which the Institute's termination is decided for.

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11. Net revenues

	2024	2023
Restricted revenues (i)	22,668	20,628
Projects and programs management fees (ii)	2,015	1,744
Restricted subtotal	24,683	22,372
Sundry revenues and others	11	67
Revenue from services rendered	78	408
(-) Deductions		
Contribution for the Social Security Funding/Tax on Services (COFINS/ISS)	(3)	(192)
Unrestricted subtotal	86	283
Total	24,769	22,655

(i) and (ii) Revenues broken down by funder (restricted/donations and management fees):

(ii) Management fees bear the following characteristics:

- Unexpected fees - In this case, the funder allows the allocation of certain expenses which are recorded under "Other direct and indirect costs";
- Mixed fees - Established in the agreements and specifying certain expenses recorded in the account "Other direct and indirect costs"; and
- Expected fees - Administrative costs charged only by means of overhead fee.

Flexible use of the projects resources is usually accepted by funders, up to approximately 10% above the expected amounts for each category, as long as the total does not overcome the total budgeted amount for the project. Project schedule differs from fiscal years, thus, there might be situations in which two different financing periods for a same project are included in the same fiscal year.

(a) Bezos Earth Found

Support direct restoration and improvements in rural practices on 5,000 hectares and restoration on 55,000 hectares of deforested and degraded land in Pará will be carried out, focused on rural producers living in and around secondary forest areas.

(b) NORAD - Norwegian Agency for Development Cooperation

The project "Market transparency and law enforcement for conserving the Amazon Forest" mainly seeks to reduce deforestation indexes in Brazilian Amazon to 2012 levels and also to increase the adoption of a more sustainable use of land.

(c) Instituto Itausa

1 - The "Amazônia 2030" project is a joint initiative of Imazon, PUC Rio (Department of Economics), Climate Policy Initiative (CPI) and the Amazon Entrepreneurship Center. The general objective of the project is to contribute to the economic and social development of the Amazon, with

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an emphasis on increasing the productivity of economic activities and environmental sustainability;

2 - "Net Zero Brazil" project - The proposed Net-Zero Brazil (NZB) study will help inform the design, implementation, and ongoing evaluation of measures to achieve net-zero GHG emissions in Brazil by 2050.

(d) Instituto Arapyau de educação e Desenvolvimento Sustentável

Developing the products of the Collection 9 of MapBiomias for the Amazon Biome, supporting the implementation of MapBiomias Alert, supporting GT Degradação activities, supporting MapBiomias in the Pan-Tropical region and coordinating GT Água activities.

(e) The Skoll Foundation

Amazon Connectivity Collaborations, which is working to bring high-speed internet to 1 million people living in the more than 8,500 forest communities that care for 160 million hectares of Amazon forest.

12. Operating costs

	2024	2023
Unrestricted cost		
Salaries and social charges (i)	(49)	(68)
	<u>(49)</u>	<u>(68)</u>
Breakdown of main classes of restricted costs	2024	2023
Restricted cost		
Salaries and social charges (i)	(8,215)	(7,546)
Services rendered by third parties	(9,806)	(8,368)
	<u>(18,021)</u>	<u>(15,914)</u>
(i) Salaries and social charges:		
	2024 Restricted	2023 Restricted
(i) Payroll and social charges		
Payroll	(3,360)	(3,172)
Social Security Tax (INSS)	(1,172)	(1,088)
Food voucher/ Transportation pass	(904)	(878)
Health insurance	(612)	(582)
Vacation pay	(464)	(410)
Bonuses	(449)	(407)
Severance Pay Fund (FGTS)	(497)	(337)
13°	(359)	(334)
Life insurance	(202)	(144)
Internship compensation	(61)	(82)
Tax on Sales (PIS)	(46)	(43)
Termination fine/ Compensation	(70)	(52)
Health examination/Medicines	(19)	(17)
	<u>(8,215)</u>	<u>(7,546)</u>

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13. Administrative expenses

	2024	2023
Travel	-	(33)
Rent	-	(35)
Publication, dissemination and events	-	-
Taxes and fees	-	(5)
Depreciation and amortization	(11)	(14)
Insurance	-	-
Communication	-	(1)
Expenses on consulting and other services	(64)	(172)
Other administrative expenses	(58)	(14)
	<u>(133)</u>	<u>(274)</u>

14. Financial revenues and expenses

	2024	2023
Interest on financial investments	<u>752</u>	<u>290</u>
Total financial revenues	752	290
Interest and bank expenses	<u>(119)</u>	<u>(133)</u>
Total financial expenses	(119)	(133)
Net financial income (loss)	<u>634</u>	<u>157</u>

15. Financial instruments

The Institute is exposed to risks arising from the use of financial instruments. This note describes the Institute's objectives, policies and processes for managing those risks and the methods used to measure them.

Main financial instruments

The main financial instruments used by the Institute, from which financial instrument risk arises, are the following:

- Cash and banks;
- Financial investments;
- Trade accounts payable.

The Institute's activities expose it to the following financial risks:

- Credit risk;
- Liquidity risk;
- Market risk.

Credit risk

Credit risk for the Institute mainly arises from cash and cash equivalents coming from bank deposits and financial investments in CDBs.

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The Institute invests resources only in CDBs managed by top-tier financial institutions. The Institute does not hire derivatives to manage credit risk. The qualitative disclosure of the Institute's exposure to credit risk, relative to financial assets at the book values, as at December 31, 2023 and 2022, is as follows:

Financial assets	2024	2022
Cash and cash equivalents	48,246	34,876
	<u>48,246</u>	<u>34,876</u>

Liquidity risk

Liquidity risk is the risk resulting from the possibility of the Institute having difficulties to comply with the obligations associated to its financial liabilities settled through payments in cash or in other financial assets. The Institute's approach to the management of this risk is to guarantee enough liquidity to meet its obligations at maturity, under regular or unusual conditions, with no unacceptable losses or risking the Institute's reputation.

As at December 31, 2024 and 2023, the payment flow for the Institute's financial liabilities is presented as follows (in book values):

	2024	2023
Financial liabilities		
Trade accounts payable	89	45
	<u>89</u>	<u>45</u>

As at December 31, 2024 and 2023, the Institute was not in default of any obligations.

Market risk (interest rate)

This risk results from the possibility of the Institute incurring losses (or earning gains) due to fluctuations in interest rates applied to its liabilities and assets raised (invested) in the market. Financial instruments subject to market risk are represented by investments in CDBs managed by top-tier financial institutions. As presented in Note 4, these investments are tied to low volatility indexes.

Management has a conservative cash management approach, investing available resources in CDBs pegged to CDI and savings accounts, redeemable in the short term, when authorized by donors. Revenues from these financial investments are reinvested in the Institute itself.

The Institute holds no relevant operations pegged to changes in exchange rates.

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16. Insurance coverage

The Institute has insurance to safeguard its assets against possible claims, as Management deems necessary due to the current profile of its assets.

As at December 31, 2024, insurance coverages were hired in amounts sufficient to cover possible loss events.

Given the nature of the risk assumptions adopted by the Institute, they are not part of the scope of an audit of financial statements and, therefore, were not audited by the independent auditors.

As at December 31, 2024, the Entity had the following insurance policies entered into with third parties:

Insured categories	R\$
Fire of PPE items	50

Entity Management

Verônica Oki Igacihalaguti
Administrative Director

Ritaumaria de Jesus Pereira
Executive Director

Gian Carlo Cruz Toppino
Accountant CRC/PA 011577/O-0