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(A free translation of the original in Portuguese)

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***WRI Brasil***  
***Financial statements at***  
***December 31, 2023***  
***and independent auditor's report***





(A free translation of the original in Portuguese)

## ***Independent auditor's report***

To the Board of Directors and Management  
WRI Brasil

### **Opinion**

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We have audited the accompanying financial statements of WRI Brasil (the "Institute"), which comprise the statement of financial position as at December 31, 2023 and the statements of surplus, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Institute as at December 31, 2023, and its financial performance and its cash flows for the year then ended, in accordance with accounting practices adopted in Brazil for small and medium-sized entities - CPC Technical Pronouncement PME (R1) - Accounting for Small and Medium-sized Entities, Entities, including the provisions in Technical Interpretation ITG 2002 (R1) - "Non-profit Entities", that regulates non-for-profit entities.

### **Basis for opinion**

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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 Company 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.

### **Responsibilities of management and those charged with governance for the financial statements**

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Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices adopted in Brazil for small and medium-sized entities (CPC - Technical Pronouncement PME (R1) - Accounting for Small and Medium-sized Entities), including the provisions in Technical Interpretation ITG 2002 (R1) - "Non-profit Entities", 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.



WRI Brasil

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 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.

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 Institute'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 Institute'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 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 these financial statements 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 control that we identify during our audit.

São Paulo, May 17, 2024

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

DocuSigned by  
 Sr. José Nestor Gava Filho  
 Assinado por: JOSÉ NESTOR GAVA FILHO 22369966831  
 CPF: 22369966831  
 Data/Hora de Assinatura: 02 de julho de 2024 11:10 BRT

  
 José Nestor Gava Filho  
 Contador CRC 1SP248379/O-7



**WRI Brasil**  
**Statement of financial position**  
**at December 31**

All amounts in Brazilian Reais

(A free translation of the original in Portuguese)

<b>Assets</b>	<b>2023</b>	<b>2022</b>	<b>Liabilities and net worth</b>	<b>2023</b>	<b>2022</b>
Current assets			Current liabilities		
Cash and cash equivalents (Note 3)	18,964,110	13,550,459	Accounts payable (Note 6)	382,402	230,895
Accounts receivable (Note 4)	889,393	588,145	Tax liabilities (Note 7)	17,702	9,123
Other receivables	71,947	104,160	Labor obligations (Note 8)	1,964,384	2,323,099
	<u>19,925,450</u>	<u>14,242,764</u>	Advances for projects (Note 9)	<u>11,238,192</u>	<u>6,963,777</u>
				<u>13,602,680</u>	<u>9,526,894</u>
Non-current assets			Net worth		
Escrow deposits	87,634	87,634	Net worth (Note 10)	<u>6,849,105</u>	<u>5,165,223</u>
Fixed assets (Note 5)	436,364	348,285		<u>6,849,105</u>	<u>5,165,223</u>
Intangible assets	2,337	13,434			
	<u>526,335</u>	<u>449,353</u>			
<b>Total assets</b>	<u><u>20,451,785</u></u>	<u><u>14,692,117</u></u>	<b>Total liabilities and net worth</b>	<u><u>20,451,785</u></u>	<u><u>14,692,117</u></u>

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



**WRI Brasil**  
**Statement of surplus**

All amounts in Brazilian Reais

(A free translation of the original in Portuguese)

	<u>2023</u>	<u>2022</u>
<b>Operating income</b>		
<b>Restricted funds</b>		
Donations (Note 9)	30,739,873	28,847,422
Voluntary work (Note 13)	18,975	16,895
	<u>30,758,848</u>	<u>28,864,317</u>
<b>Unrestricted funds</b>		
Rendering of services (Note 11)	516,710	906,236
Finance income (Note 15)	1,815,560	1,157,348
	<u>2,332,270</u>	<u>2,063,584</u>
	<u>33,091,118</u>	<u>30,927,901</u>
<b>Operating costs and expenses</b>		
Earmarked restricted projects (Note 12)	(30,739,873)	(28,847,422)
Services (Note 12)	(101,791)	(334,819)
Tax expenses (Note 12)	(534,660)	(374,597)
Voluntary work (Note 13)	(18,975)	(16,895)
Finance costs (Note 15)	(11,937)	(10,046)
	<u>(31,407,236)</u>	<u>(29,583,779)</u>
<b>Surplus for the year</b>	<u>1,683,882</u>	<u>1,344,122</u>

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



**WRI Brasil**  
**Statement of comprehensive income**  
 All amounts in Brazilian Reais

(A free translation of the original in Portuguese)

	<u>2023</u>	<u>2022</u>
<b>Surplus for the year</b>	<u>1,683,882</u>	<u>1,344,122</u>
Other comprehensive income	<u>                    </u>	<u>                    </u>
<b>Total other comprehensive income</b>	<u>                    </u>	<u>                    </u>
<b>Surplus for the year</b>	<u>1,683,882</u>	<u>1,344,122</u>

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



**WRI Brasil**  
**Statement of changes in equity**  
 All amounts in Brazilian Reais

(A free translation of the original in Portuguese)

	<u>Net worth</u>	<u>Annual surplus</u>	<u>Total</u>
<b>At January 1, 2022</b>	<u>3,821,101</u>		<u>3,821,101</u>
Surplus for the year		1,344,122	1,344,122
Transfer to net worth	<u>1,344,122</u>	<u>(1,344,122)</u>	
<b>At December 31, 2022</b>	<u>5,165,223</u>		<u>5,165,223</u>
Surplus for the year		1,683,882	1,683,882
Transfer to net worth	<u>1,683,882</u>	<u>(1,683,882)</u>	
<b>At December 31, 2023</b>	<u>6,849,105</u>		<u>6,849,105</u>

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



## WRI Brasil

### Statement of cash flows Years ended December 31

All amounts in Brazilian Reais

(A free translation of the original in Portuguese)

	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>		
<b>Surplus for the year</b>	1,683,882	1,344,122
<b>Adjustments for noncash items:</b>		
Depreciation and amortization	277,352	153,678
Write-off of fixed assets and intangible assets	68,886	
	<u>2,030,120</u>	<u>1,497,800</u>
<b>Changes in assets and liabilities</b>		
Increase (decrease) in accounts receivable	(301,248)	1,658,621
Decrease (increase) in other receivables	32,213	5,964
Increase in accounts payable	151,506	84,191
Increase (decrease) in labor charges	(358,715)	390,357
Decrease in tax obligations	8,579	3,203
Decrease in advances for projects	4,274,415	3,179,918
<b>Net cash provided by operating activities</b>	<u>5,836,870</u>	<u>6,820,054</u>
<b>Cash flows from investing activities</b>		
Purchases of fixed assets and intangible assets	(423,219)	(27,803)
<b>Net cash used in investing activities</b>	<u>(423,219)</u>	<u>(27,803)</u>
<b>Increase in cash and cash equivalents</b>	<u>5,413,651</u>	<u>6,792,251</u>
<b>Cash and cash equivalents at the end of the year (Note 3)</b>	18,964,110	13,550,459
<b>Cash and cash equivalents at the beginning of the year (Note 3)</b>	<u>13,550,459</u>	<u>6,758,208</u>
<b>Increase in cash and cash equivalents</b>	<u>5,413,651</u>	<u>6,792,251</u>

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



(A free translation of the original in Portuguese)



## **WRI Brasil**

### **Notes to the financial statements at December 31, 2023**

**All amounts in Brazilian Reais unless otherwise stated**

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#### **1 Operations**

WRI Brasil (the "Institute") is a private nonprofit organization founded in February 2014, in São Paulo, Brazil, and started its operations in June 2014. The Institute's mission is to support people living in an equitable society where they can meet their essential needs promoting the aspirations of current and future generations in protecting and restoring nature. WRI Brasil works in partnership with other organizations of the World Resources Institute, in Brazil and abroad, in the development of research-based solutions.

WRI Brasil was granted the status of a Civil Society Organization of Public Interest (OSCIP) on September 19, 2014, as published in the Federal Official Gazette on that date. It has been certified as an Environmental Organization by the Ministry of the Environment, and holds a Statement of Exemption from Inheritance and Donation Tax (ITCMD). The Treasury Department of the State of São Paulo, together with the Secretary of the Environment, issued Resolution SFP/SIMA 02/2019 in 2019, published on December 13, 2019, which determines that, from that date on, the Certificate of Environmental Organization and the Statement of Exemption from Inheritance and Donation Tax will be effective for three years. Accordingly, the Certificate of Environmental Organization is valid until March 31, 2026.

WRI Brasil and the World Resources Institute ("WRI Washington DC") are organizations legally bound by a Cooperation Agreement and a trademark license, aligning their respective missions, values and approaches. These organizations are committed to working together to achieve their common goal of encouraging society to respect and protect the environment, sustaining that needs and expectations of present and future generations.

The Institute and WRI Washington DC share strategic work plans, financial management, and control systems under a synergistic governance system for collaborative and strategic decision making. They support each other by raising funds from domestic and international donors, among other actions and activities relevant to their common mission.

In 2015, WRI Brasil opened an office in the city of Porto Alegre, State of Rio Grande do Sul, named WRI Brasil Cidades Sustentáveis (WRI Brasil *Sustainable Cities*).

#### **2 Financial statement presentation and significant accounting practices**

The issue of these financial statements was authorized by the Institute's Executive Board of Directors on May 17, 2024.

The financial statements were prepared in accordance with accounting practices adopted in Brazil for small and medium-sized entities - CPC PME Technical Pronouncement - "Accounting for Small and Medium Entities" and Technical Interpretation ITG 2002 (R1) - "Nonprofit Entities", and disclose all information of significance to the financial statements, which is consistent with that utilized by management in the performance of its duties. The financial statements were prepared under the historical cost convention, except for voluntary work and donations, which are measured at fair value, in accordance with ITG 2002 (Note 13).



## **WRI Brasil**

### **Notes to the financial statements at December 31, 2023**

**All amounts in Brazilian Reais unless otherwise stated**

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The preparation of these financial statements required the use of estimates to account for certain assets, liabilities, and other transactions, including estimates related to the selection of the useful lives of fixed assets, the determination of the useful lives of financial assets, and the provisions for liabilities, among others. Actual results may differ from the estimates.

#### **2.1 Functional and presentation currency and operations and balances**

The financial statements are presented in Brazilian Real/ Reais (R\$), which is the functional and presentation currency of WRI Brasil.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currency are recognized in the statement of surplus, as finance income and costs.

#### **2.2 Cash and cash equivalents**

Cash and cash equivalents include funds available in local currency and other short-term highly liquid investments with original maturities of three months or less, with immaterial risk of change in value, which are held to meet short- and long-term term commitments.

#### **2.3 Accounts receivable**

Accounts receivable are recognized initially at the transaction cost and are subsequently measured at amortized cost using the effective interest rate method,

#### **2.4 Financial assets**

The Institute classifies its financial assets as measured at amortized cost;

The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of financial assets upon initial recognition. Currently, financial assets are classified at amortized cost.

##### **(a) Assets carried at amortized cost**

These are included in current assets, except for maturities longer than 12 months after the reporting period, which are classified as non-current assets. The assets carried at amortized cost comprise Cash and cash equivalents (Note 3), Accounts receivable (Note 14), and Escrow deposits.



## **WRI Brasil**

### **Notes to the financial statements at December 31, 2023**

**All amounts in Brazilian Reais unless otherwise stated**

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#### **2.5 Fixed assets**

Fixed assets are stated at historical cost of acquisition and depreciation is calculated on the straight-line method, using rates that take into consideration the useful lives of the assets (Note 5).

#### **2.6 Intangible assets**

Acquired software licenses are capitalized on the basis of the costs incurred to purchase the specific software and bring it to use. These costs are amortized over the software's estimated useful life of five years.

#### **2.7 Accounts payable**

These are obligations to pay for goods or services acquired in the ordinary course of activities and are recognized at the amount stated in the invoice or in the related contract. These payables are classified as current liabilities if payment is due in one year or less. If not, they are presented as non-current liabilities.

#### **2.8 Taxes on operations**

WRI Brasil is a nonprofit entity, exempt from income tax and social contribution on net income (Note 16). Other taxes levied on its operating activities include: (a) Social Integration Program (PIS) - contribution of 1% on the payroll amount; (b) Contribution to the National Institute of Social Security (INSS) - full payment of employers' and employee's contributions; (c) Income Tax Withheld at Source (IRRF) levied on income from financial investments — withheld by the respective financial institutions. Tax on Services (ISS) - 5% on services rendered. From 2020, the Social Contribution on Revenues (COFINS) is no longer levied, as provided for in Regulatory Instruction on PIS and COFINS (IN 1911/2019), which determines in Article 23, paragraph 2, that the rendering of services - the Institute's core activity - is not subject to the payment of this contribution.

#### **2.9 Other current assets and liabilities**

Other assets are stated at cost of acquisition, including, where applicable, accrued income and charges, less a provision for adjustment to realizable value, where applicable. Other liabilities are stated at known or estimated amounts including, where applicable, charges and indexation accruals incurred up to the reporting date.

#### **2.10 Net worth**

Net worth comprises donations from the founding members and donors, increased or decreased by the surplus or deficit determined for each year.

#### **2.11 Determination of surplus (deficit)**

Donations received by WRI Brasil that are tied to specific projects are recorded as "Advances for projects" in current liabilities, and are allocated to the statement of surplus as the resources are applied. Other income and expenses are recorded on the accrual basis of accounting.



## WRI Brasil

### Notes to the financial statements at December 31, 2023

All amounts in Brazilian Reais unless otherwise stated

#### 2.12 Provisions

Provisions are recognized when: (i) the Institute has a present legal or constructive obligation as a result of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as finance cost.

#### 2.13 Critical accounting estimates and judgments

The Institute has no critical estimates and/or judgments for disclosure in preparing its financial statements.

### 3 Cash and cash equivalents

	<u>2023</u>	<u>2022</u>
<b>Restricted funds</b>		
Cash - petty cash fund	4,000	3,519
Banks	1,861	3,382
Sweep accounts	24,062	49,220
Investment funds– fixed income (*)	18,506,894	13,465,173
Bank Deposit Certificates (CDBs) (*)	-	29,165
<b>Unrestricted funds</b>		
Investment funds– fixed income (*)	<u>427,293</u>	<u>-</u>
	<u>18,964,110</u>	<u>13,550,459</u>

(\*) Investments in fixed income funds and CDBs are with banks Itaú, Bradesco, and Santander and are readily convertible into a known amount of cash, and subject to an insignificant risk of change in value.

### 4 Accounts receivable

Accounts receivable relate to expenses incurred on the Institute's projects through donation under contracts, which amounted to R\$ 801,313 at December 31, 2023 (R\$ 588,145 in 2022). Accounts receivable from services rendered amounted to R\$ 88,80 (zero in 2022).



## WRI Brasil

### Notes to the financial statements at December 31, 2023

All amounts in Brazilian Reais unless otherwise stated

#### 5 Fixed assets

	2023		2022		Annual depreciation rates -%
	Cost	Accumulated depreciation	Net	Net	
Furniture and fittings	357,282	303,071	54,211	85,009	10
IT equipment	845,761	520,104	325,657	204,161	20
Machinery and equipment	81,035	61,272	19,763	11,882	10
Leasehold improvements	135,908	135,908	-	-	20
Facilities	108,111	71,378	36,733	47,232	10
	1,528,097	1,091,733	436,364	348,284	

Changes in fixed assets were as follows:

	2023	2022
At the beginning of the year	348,284	467,324
Additions	423,219	27,803
Write-offs	(62,569)	
Depreciation	(272,570)	(146,843)
At the end of the year	436,364	348,284



## WRI Brasil

### Notes to the financial statements at December 31, 2023

All amounts in Brazilian Reais unless otherwise stated

#### 6 Accounts payable

	<u>2023</u>	<u>2022</u>
Communication services	120,153	114,537
Technical consultant services	163,349	14,582
Lease liabilities	47,251	44,042
Other payables	<u>51,649</u>	<u>57,734</u>
	<u>382,402</u>	<u>230,895</u>

#### 7 Tax liabilities

	<u>2023</u>	<u>2022</u>
Social Contribution on Revenues (COFINS)	7,447	5,330
Service Tax (ISS)	4,665	559
Contributions withheld	4,243	2,454
Other taxes and contributions	<u>1,347</u>	<u>780</u>
	<u>17,702</u>	<u>9,123</u>

#### 8 Labor liabilities

	<u>2023</u>	<u>2022</u>
Provision for vacation pay	1,460,275	1,494,842
Social charges	503,794	515,740
National Institute of Social Security (INSS)	<u>315</u>	<u>312,516</u>
	<u>1,964,384</u>	<u>2,323,099</u>

#### 9 Advances for projects

The Institute receives donations in advance for implementing and maintaining its operational structure and managing the projects under its responsibility.

Donations received in 2023 totaled R\$ 34,785,996 (R\$ 33,701,201 in 2022), of which R\$ 34,475,996 referred to unrestricted funds and R\$ 310,000, to restricted funds. Donations received include R\$ 30,739,873 (R\$ 28,847,422 in 2022) applied during the year, and the remaining amount of R\$ 11,238,192 (R\$ 6,963,777 in 2022) to be used in the coming year for operations and projects.



## WRI Brasil

### Notes to the financial statements at December 31, 2023

All amounts in Brazilian Reais unless otherwise stated

Restricted funds received from legal entities were as follows:

	<u>2023</u>	<u>2022</u>
Donations from legal entities	34,785,996	33,701,201
Donations, net	<u>34,785,996</u>	<u>33,701,201</u>

Changes in advances for projects were as follows:

	<u>2023</u>	<u>2022</u>
At the beginning of the year	6,963,777	3,783,858
Funds received	34,785,996	33,701,201
Recognized in income for the year	(30,739,873)	(28,847,422)
Changes in receivables	213,168	(1,658,622)
Other adjustments to projects in the year	15,124	(15,238)
At the end of the year	<u>11,238,192</u>	<u>6,963,777</u>

Subgrants transferred by the World Resources Institute represented 69.28% of donations of restricted funds received during the year (77.56% in 2022) (Note 14 (a)).

#### 10 Net worth

Net worth includes the 2023 annual surplus of R\$ 6,849,105 (R\$ 5,165,223 in 2022).

In the event of a dissolution of the Institute, the balance of net assets must be transferred to non-profit entity or entities with a similar purpose under the terms of Law 9,790/99.

If the entity no longer meets the prerequisites under Law 9,790/99, the respective net assets acquired with public resources during the period when certified will be transferred to another legal entity duly qualified under the terms of the Law, preferably with the same purpose.

#### 11 Rendering of services

In conformity with its by-laws, WRI Brasil provides support services to other programs, projects, and actions that either directly or indirectly, may promote systemic and long-lasting changes in the areas of climate and energy, people and ecosystems, markets and companies, institutions and governance, sustainable urbanization and mobility. In addition to receiving donations, the Institute generates income by providing services, which include studies to identify knowledge gaps and research needs in forestry and sustainable exploitation of native species, issuing safety and urban mobility guidance manuals for municipalities and companies, and the creation of diagnostic reports and plans to improve pedestrian mobility in various municipalities. The invoices issued for these services are subject to the Service Tax (ISS) at the rate of 5%. The balance of services invoiced and not rendered, if any, is recorded as deferred revenue, when applicable.



## WRI Brasil

### Notes to the financial statements at December 31, 2023

All amounts in Brazilian Reais unless otherwise stated

Revenue from services rendered was:

	<u>2023</u>	<u>2022</u>
Revenue from services	543,905	954,542
Taxes on sales	<u>(27,195)</u>	<u>(48,305)</u>
	<u>516,710</u>	<u>906,238</u>

#### 12 Expenditures by nature

	<u>2023</u>	<u>2022</u>
Personnel expenses (i)	(20,523,983)	(19,165,752)
Services provided by legal entities	(6,875,282)	(7,334,012)
Travel expenses	(2,052,882)	(1,528,675)
Advertising and publicity	(148,815)	(31,432)
Chattels and property expenses	(1,015,837)	(881,495)
Other costs and expenses (ii)	<u>(224,865)</u>	<u>(240,875)</u>
Total	<u>(30,841,664)</u>	<u>(29,182,241)</u>
	<u>2023</u>	<u>2022</u>
Costs of projects and services rendered	(27,213,314)	(26,138,945)
General and administrative expenses	<u>(3,628,350)</u>	<u>(3,043,296)</u>
Total	<u>(30,841,664)</u>	<u>(29,182,241)</u>

(i) Include personnel expenses and related charges.

(ii) Other costs and expenses consisted mainly of depreciation, utilities, and other general expenses.





## WRI Brasil

### Notes to the financial statements at December 31, 2023

All amounts in Brazilian Reais unless otherwise stated

#### 13 Voluntary work

Voluntary work and services performed that did not result in cash disbursements by the Institute relate to the Board of Directors' meetings. Had the Institute been required to pay for these voluntary services, it would have disbursed approximately R\$18,975 in 2023 (R\$16,895 in 2022).

The fair value of this voluntary work is stated in accordance with the Technical Interpretation ITG 2002, approved by Resolution 1409/12. of the Brazilian Federal Accounting Council (CFC) No. 1409/12.

#### 14 Transactions with related parties

WRI Brasil and WRI Washington DC are organizations legally bound by a Cooperation Agreement and a trademark license (Note 1). WRI Washington DC contributes to the strategic decisions and management of WRI Brasil.

The following transactions were carried out with related parties:

##### (a) Donations received

	<u>2023</u>	<u>2022</u>
World Resources Institute	<u>24,100,608</u>	<u>26,897,771</u>

##### (b) Reimbursement for expenses receivable

	<u>2023</u>	<u>2022</u>
Receivables from related parties (Note 4)		
World Resources Institute	<u>801,313</u>	<u>588,145</u>

##### (c) Key management compensation

Key management personnel in 2023 comprised five directors (six directors in 2022), namely, the Chief Executive Officer, Director of Operations, Director of Communications, Director of Climate, and Director of Cities. The total annual compensation paid to key management for their services is shown below:

	<u>2023</u>	<u>2022</u>
Total key management compensation	<u>1,857,187</u>	<u>2,309,209</u>

In 2023, three directors are based at the head office of WRI Brasil in São Paulo and two at the branch in Porto Alegre.



## WRI Brasil

### Notes to the financial statements at December 31, 2023

All amounts in Brazilian Reais unless otherwise stated

#### 15 Finance result

	<u>2023</u>	<u>2022</u>
Income from financial investments	1,811,587	1,046,164
Other finance income, net	<u>3,973</u>	<u>111,184</u>
Finance income	<u>1,815,560</u>	<u>1,157,348</u>
Banking expenses	<u>(11,937)</u>	<u>(10,046)</u>
Finance costs	<u>(11,937)</u>	<u>(10,046)</u>

#### 16 Tax matters

A non-profit entity is defined as an organization that does not generate a surplus from its activities, or, in the event of surplus it is fully retained for the maintenance and development of the organization's social objectives, provided that all other legal conditions are met.

WRI Brasil is exempt from income tax and social contribution (pursuant to Article 150 of the Federal Constitution) and from Social Contribution on Revenues (COFINS). In accordance with the disclosures required by ITG 2002(R1) "Nonprofit Entities", had the entity not been exempted, the rates would have been: 15% for Income Tax, 9% for Social Contribution, 7.6% for COFINS on billings, and 1.65% for PIS on billings.

#### 17 Legal claims

The Company was not a party to any labor, civil, or tax lawsuit.

#### 18 Other information

- (a) In 2023 and 2022, the Institution had no transactions involving derivative financial instruments.
- (b) The Institution does not offer private pension plan or any other form of retirement or post-employment benefit plan for its employees and officers, or benefit plans for officers and employees as bonuses or profit sharing.
- (c) The August 9, 2023 General Meeting unanimously elected new Board members, Johannes Henricus Maria Van de Ven and Fernanda Lopes, as Chairperson and Vice-Chairperson of the Board of Directors, respectively.



## **WRI Brasil**

### **Notes to the financial statements at December 31, 2023**

**All amounts in Brazilian Reais unless otherwise stated**

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#### **19 Insurance coverage**

The Institution has contracted D&O (Civil Liability of Officers, Board Members and Management) insurance, with a limit of R\$ 15,000,000, effective from November 18, 2023 to November 18, 2024.

\* \* \*

**CRISTIANE DA SILVA FONTES**  
CEO

**ANA PAULA SALVADOR DE AGUIAR DA COSTA**  
Accountant CRC-1-SP228.935-O-8

**Certificado de Conclusão**

Identificação de envelope: 4A8E8701C1C24667B94EF004B6F1319E

Status: Concluído

Assunto: WRI 23\_DF Free translation 31122023

LoS / Área: Assurance (Audit, CMAAS)

Tipo de Documento: Relatórios ou Deliverables

Envelope fonte:

Documentar páginas: 19

Assinaturas: 1

Remetente do envelope:

Certificar páginas: 2

Rubrica: 0

Bruna Edelzuita dos Santos Nascimento

Assinatura guiada: Ativado

Avenida Brigadeiro Faria Lima, 3732, 16º e 17º andares, Edifício Adalmiro Dellape Baptista B32, Itai São Paulo, São Paulo 04538-132

Selo com Envelopeld (ID do envelope): Ativado

bruna.santos@pwc.com

Fuso horário: (UTC-03:00) Brasília

Endereço IP: 18.231.224.64

**Rastreamento de registros**

Status: Original

Portador: Bruna Edelzuita dos Santos Nascimento

Local: DocuSign

02 de julho de 2024 | 14:12

bruna.santos@pwc.com

Status: Original

Portador: CEDOC Brasil

Local: DocuSign

02 de julho de 2024 | 17:11

BR\_Sao-Paulo-Arquivo-Atendimento-Team

@pwc.com

**Eventos do signatário**

Jose Nestor Gava Filho

jose.nestor@pwc.com

PwC BR

Nível de segurança: E-mail, Autenticação da conta (Nenhuma), Certificado Digital

**Detalhes do provedor de assinatura:**

Tipo de assinatura: ICP Smart Card

Emissor da assinatura: AC SERASA RFB v5

**Termos de Assinatura e Registro Eletrônico:**

Não oferecido através do DocuSign

**Assinatura**

DocuSigned by:

Jose Nestor Gava Filho

225409EF93BF42D...

Adoção de assinatura: Estilo pré-selecionado

Usando endereço IP: 134.238.160.204

**Registro de hora e data**

Enviado: 02 de julho de 2024 | 14:20

Visualizado: 02 de julho de 2024 | 14:41

Assinado: 02 de julho de 2024 | 17:10

**Eventos do signatário presencial****Assinatura****Registro de hora e data****Eventos de entrega do editor****Status****Registro de hora e data****Evento de entrega do agente****Status****Registro de hora e data****Eventos de entrega intermediários****Status****Registro de hora e data****Eventos de entrega certificados****Status****Registro de hora e data****Eventos de cópia****Status****Registro de hora e data**

Bruna Edelzuita dos Santos Nascimento

**Copiado**

Enviado: 02 de julho de 2024 | 17:11

bruna.santos@pwc.com

Visualizado: 02 de julho de 2024 | 17:11

Nível de segurança: E-mail, Autenticação da conta (Nenhuma)

Assinado: 02 de julho de 2024 | 17:11

**Termos de Assinatura e Registro Eletrônico:**

Não oferecido através do DocuSign

**Eventos com testemunhas****Assinatura****Registro de hora e data****Eventos do tabelião****Assinatura****Registro de hora e data****Eventos de resumo do envelope****Status****Carimbo de data/hora**

<b>Eventos de resumo do envelope</b>	<b>Status</b>	<b>Carimbo de data/hora</b>
Envelope enviado	Com hash/criptografado	02 de julho de 2024   14:20
Envelope atualizado	Segurança verificada	02 de julho de 2024   16:41
Envelope atualizado	Segurança verificada	02 de julho de 2024   16:41
Entrega certificada	Segurança verificada	02 de julho de 2024   14:41
Assinatura concluída	Segurança verificada	02 de julho de 2024   17:10
Concluído	Segurança verificada	02 de julho de 2024   17:11

<b>Eventos de pagamento</b>	<b>Status</b>	<b>Carimbo de data/hora</b>
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