# Sustainability Report

## 2023

# Summary

# About this report

**[GRI 2-2, 2-3, 2-4, 2-5]**

In this first report of ICONIC Lubrificantes S.A, we aim to communicate our actions in the non-financial scope of the sustainability area. Structured in accordance with the GRI 2021 Standards, it aims to communicate to our stakeholders, the market and society as a whole detailed information about the Company's social, environmental and corporate governance actions, underlining our commitment to transparency and continued dialogue with our different audiences.

The information presented here corresponds to activities held from January 1, 2023 to December 31, 2023, including all of our operations in Brazil. Given that this is our first report, there was no data reformulation, and, in this cycle, we chose not to engage assurance.

The development of this publication was based on the seven priority topics of our materiality strategy, using the GRI 11: Oil and Gas Sector 2021 standard as a reference. That being said, we report our main areas of activity, our corporate governance model, engagement with our stakeholders and public commitments in a clear and transparent manner.

Should you have any questions about the contents of this report, please contact Amanda Costa Cezario Silveira (**amandacz@iconic.com.br**).

Enjoy your reading!

# Letter from the CEO

**[GRI 2-22]**

ICONIC was created in 2017, according to our partners' ambition, Ipiranga and Chevron, to create the leading lubricant company in Brazil, a reference in excellence and performance, thus generating more value for all its interest groups. Today, six years later, we see that we are on the right path.

In 2023, we made great progress and achieved very significant results. We exceeded our growth, financial and operational goals, accelerated our sustainability initiatives through the Sustainable Future program, and put into practice a business strategy that had been developed the previous year grounded in four major pillars: people, customers, growth and competitiveness.

Thanks to the efforts of a cohesive leadership, which clearly understood our strategy and took responsibility for implementing it, we consolidated our distribution network, accelerated our sales, and generated better experiences for our customers, with excellence in service and reliability. We are committed to the safety of our people, and to boosting our training programs, organizational culture and the development of our skills. We created a base oil distribution unit, launched new products, and entered new markets. We explored new opportunities and new sales channels. We had important changes in the areas of Supplies and Pricing. We delivered relevant infrastructure projects to operate more efficiently. We invested in modernizing our factories, seeking to increase productivity, efficiency and sustainability.

Two major enablers that cut across all pillars of our strategy comprise the foundations of our action plan: digital transformation and innovation. The first refers to the development of a systemic and technological environment that allows ICONIC to benefit from what is yet to come in terms of artificial intelligence, machine learning, data intelligence, automation, and industrial process robotization. The latter involves having innovation as part of our culture, permeated at all levels of the organization, enabling the search for innovations, from incremental to disruptive, in the short, medium and long term.

We can proudly say that today we offer our customers products and services that contribute to a more efficient and sustainable world, increasing the durability and reducing the energy consumption of vehicles, machines and equipment. We have established a target of reducing 43% of our operation's GHG emissions by 2030 compared to 2020 levels, namely scope 1 and 2, and we are investing to anticipate this goal. These achievements are a result of the strategic importance of our Sustainable Future program, based on seven major material topics: Energy Transition; Health, Safety and Well-being; Management of Raw Materials, Products and Waste; People Management, Diversity and Inclusion; Socio-Economic Development; Innovative Solutions; and Ethics and Integrity.

A keen eye on each of these topics drives us to seek solutions aligned with future technologies, following up the needs of our customers and, at the same time, contributing to society's major challenges regarding climate issues, global warming, and to socioeconomic imbalance.

Our vision of the future is for ICONIC to increasingly become a company that truly makes a difference for our customers, shareholders, employees and society as a whole. As market leaders, we have a duty to challenge ourselves increasingly and continuously. We believe that, by doing so, we pursue the best, most innovative and most sustainable solutions not only for our business, but for the industry as a whole. Thank you very much to all of you who believe in our vision and are part of this journey.

**Alexandre Bassaneze**
**CEO of ICONIC**

# Sustainability at ICONIC

There are many factors related to ICONIC's recent success story and one of them certainly concerns the Company's understanding that sustainable businesses yield prosperity to companies and the society. This is why, three years ago, we began building a robust and consistent sustainability strategy.

Inserted in a challenging business category due to its high competitiveness and the irrefutable need to promote innovations capable of not only satisfying the market, but also of collaborating in the search for solutions to socio-environmental problems that are posed on the global stage, we have focused on integrating a concrete sustainability strategy into our growth plans.

In 2020, we began our ESG journey by creating an internal committee whose mission was to plan our next steps to correctly identify the most relevant socio-environmental topics for both our business and society.

The following year, we carried out an in-depth diagnosis to build our materiality strategy based on consultation with all stakeholders in our production chain. Data on advances, gaps and global trends in the oil and gas category were added to the lessons learned from this survey. We concluded this work by structuring our materiality into a consistent sustainability program – the ICONIC Sustainable Future – consisting of seven priority macro topics.

**futuro sustentável**

Ethics and Integrity

Health, Safety and Well-being

Management of Raw Materials, Products and Waste

Socio-Economic Development

People Management, Diversity and Inclusion

Energy Transition

Innovative Solutions

In 2022, we created an area dedicated to the development of our sustainability strategy and formed interdisciplinary working groups to speed up the implementation of planned initiatives, seeking to permeate the entire organization with a culture capable of promoting innovative and sustainable solutions. In 2023, we made challenging public commitments that demonstrate our belief in the importance of sustainability for business and society.

Operating for only 6 years now, in addition to being leaders in the lubricant segment in Brazil, we are currently one of the most certified companies in Latin America and invest extensively in technology and innovation for sustainable solutions. In 2024, our ICONIC Technology Center will be the largest technology and innovation center of its kind in Latin America.

We understand that innovation and sustainability are inseparable topics. Therefore, more than putting our Brazilian soul and our global DNA at the service of those who make the world go round, we want to contribute to transforming it into a better place for the next generations where a sustainable future is possible for companies and all the society.
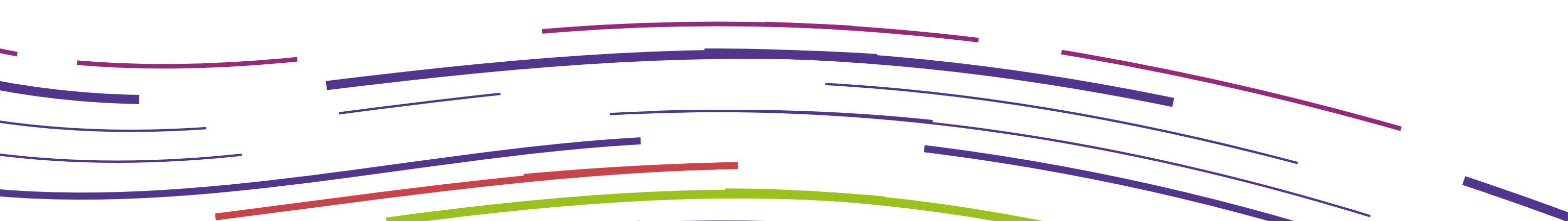
"Sustainable thinking is intrinsically connected to innovation. We believe that investing in sustainable technologies and innovative solutions is key to a more prosperous and long-lasting society and companies."

**Roberta Teixeira**
Director of Technology
and Sustainability at ICONIC

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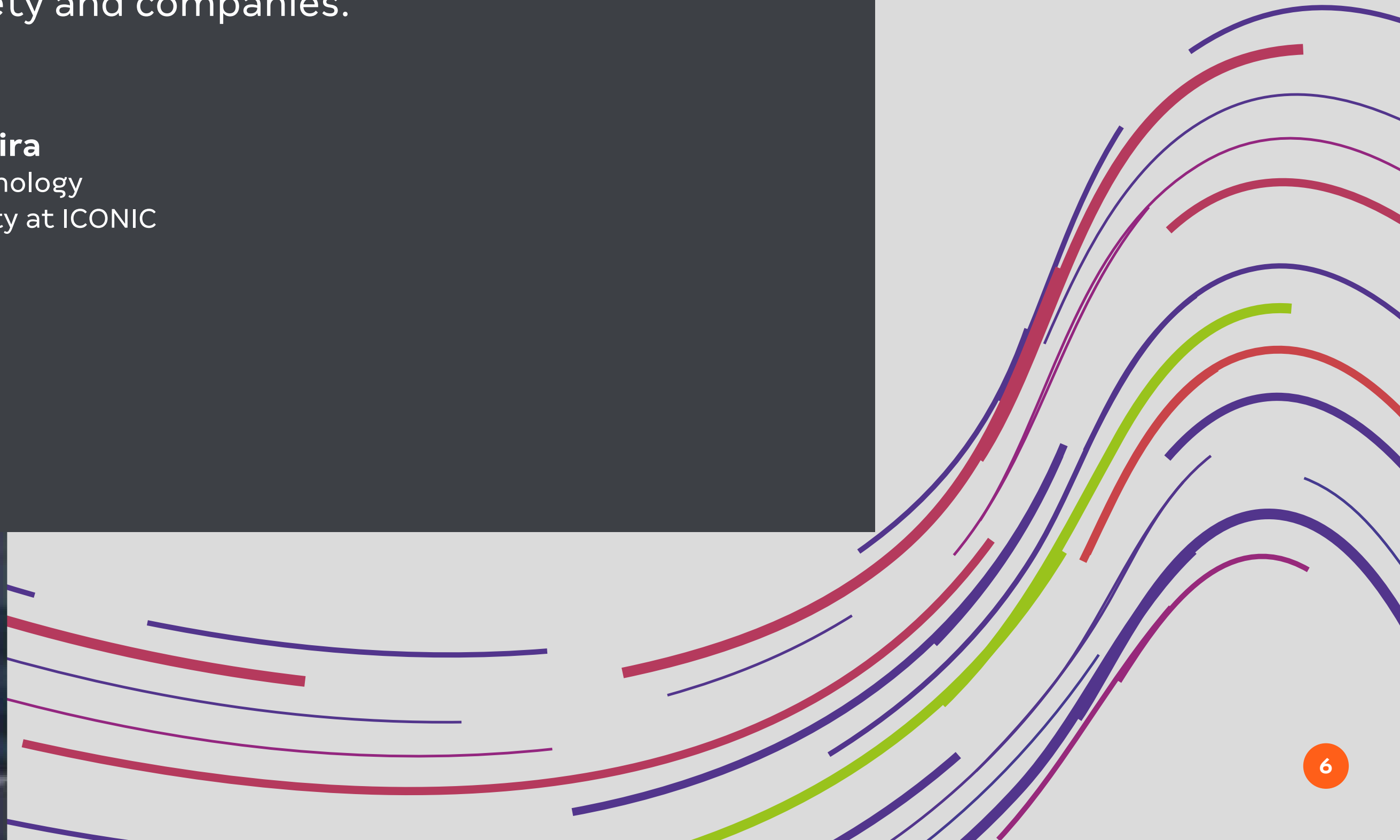
# Our public commitments until 2030:

**Reduce**

## 43%

of scope 1 and 2 GHG emissions across our operations, using 2020 as a baseline year

**Reduce**

## 50%

of plastic consumption in our packaging, using 2023 as a baseline year

**Diversity and Inclusion:**

## 48%

of women at ICONIC (27% at the end of 2023)

## 50%

of women in leadership positions (32% at the end of 2023)

## 30%

of black and brown individuals in leadership positions (13% at the end of 2023)

# About ICONIC

# About ICONIC

[GRI 2-1, 2-6, 2-7, 2-8]

## About Us

ICONIC Lubrificantes S.A. is a joint venture created in 2017 from a partnership between Chevron and Ipiranga.

We are a private equity firm established as a corporation, headquartered at Avenida das Américas, 3434, Barra da Tijuca, in Rio de Janeiro, with a shareholding structure divided between Ipiranga Produtos de Petróleo (56%) and Chevron (44%).

Leaders in lubricants in Brazil, we were born with the goal of helping the world flow better. Therefore, we invest heavily in sustainable technologies and processes to develop lubricants, coolants and greases capable of boosting the development of companies and people committed to positively transforming the future. In addition to lubricating oils, greases and coolants, we also sell base oils and offer our customers oil analysis, support and specialized consultancy services.

The combination of experience in the domestic market from already established brands – Ipiranga and Texaco – and a technological and global vision brought by Chevron qualifies us to offer all our customers the most complete product portfolio in the Brazilian market, in addition to truly differentiated services.
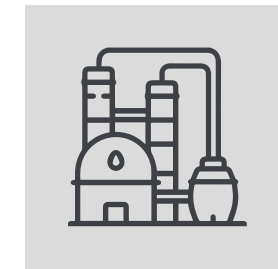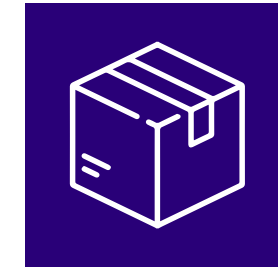
## Our structure

**01** Lubricant manufacturing plant
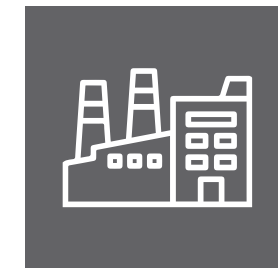
**01** Grease and coolant manufacturing plant
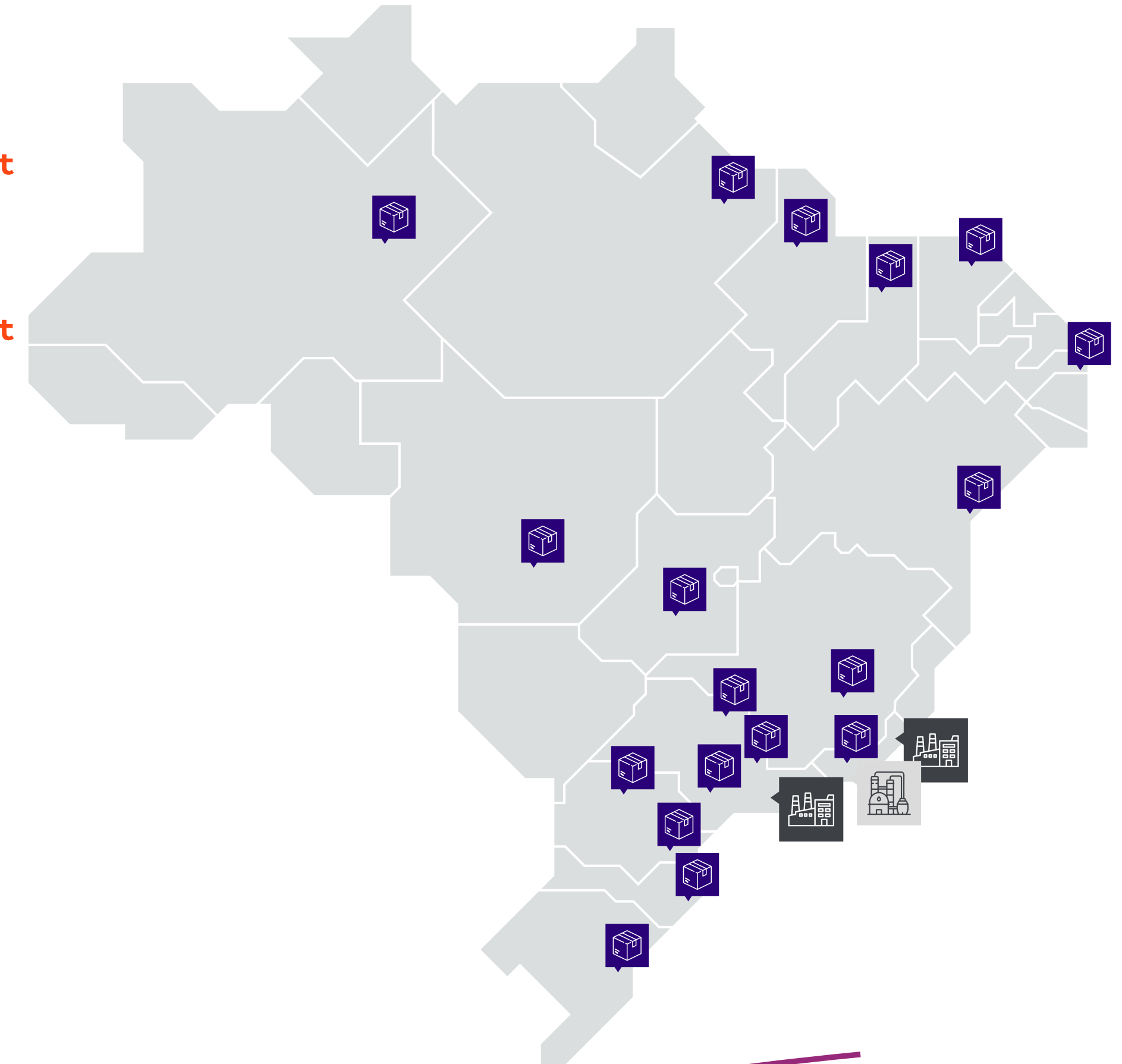
**01** Base oil terminal

**15+** Distribution centers

**18** Authorized distributors

**500+** Employees

ICONIC has three operational units located in the cities of Osasco (SP), Duque de Caxias (RJ) and Rio de Janeiro (RJ), where our headquarters are also located.

With a robust, safe and efficient structure that includes a broad logistics network and a consolidated arrangement of partners and distributors, we serve over 100,000 customers in segments such as cargo transportation, passenger transport, rail transport, and sectors that include sugar and ethanol, agribusiness, mining, steel, civil construction, navigation, energy generation, and more.

Our products are manufactured at the Duque de Caxias and Osasco units. While lubricant production is concentrated in Duque de Caxias, the Osasco unit produces coolants and greases.

Until December 2022, ICONIC manufactured and distributed lubricants, greases and coolants only. With the creation of the base oils unit, our company now has two business categories. Resale of basic oils was added to the Company's core activities, namely the manufacturing and sale of lubricants, greases and coolants.

ICONIC's base oils unit was created to supply the product not only for the Company's own lubricant manufacturing, but also to serve the lubricant market in general. Today, the sale of basic oils only supplies the Brazilian domestic market. As for supply, 59% comes from the domestic market and 41% from the foreign market (United States, Asia, Africa and Europe).

ICONIC's base oils unit has a terminal located in Rio de Janeiro with direct and independent pipeline access to the Port of Rio, 40,000 m³ of tankage, and tanker truck loading capacity 24 hours a day. There are 18 tanks with a total capacity of 15 megaliters and 47 storage tanks with a total capacity of 25 megaliters.

The Company also operates a large consolidating logistics center in Xerém/RJ, responsible for the distribution and supply of the other 14 regional warehouses in our logistics network in Brazil.

We have 18 authorized distributors spread across Brazil and approximately 900 salespeople, ensuring widespread distribution of our products and quality service to all our customers.

In addition to infrastructure and security, our strong relationship with global producers and an autonomous business management model guarantee reliability and local availability of our products.

# ICONIC in numbers

**500 million**
litres of annual production capacity

**100,000**
customers in retail, industry and other segments

**1,000+**
products: the most complete portfolio on the Brazilian market

**800+**
professionals on our team

# Our purpose

## Creating solutions for the world to flow better

Fluidity is the engine of life. The invisible force that keeps the world running smoothly and sustainably. Fluidity is about building solid partnerships between brands, companies and people, understanding that, for each specific movement, there is a specific solution. Therefore, we put our Brazilian soul and our global DNA at the service of those who make the world go round.
We steered the ICONIC Technology Center, one of the most advanced in Latin America, in favor of innovation, leading to excellent solutions and services. Transform the market, the industry, careers, futures, the world. Also transforming the present into the future we want.

# 2023 Highlights

**304.5 million** liters of lubricants sold, **7.4% more** than the previous year

**BRL 3.5 billion** net revenue

**BRL 244.9 million** EBITDA

**100,000+** customers served

**BRL 5.4 million*** invested in Sustainability and Innovation projects

*With 46% of this investment directed towards the construction of the new ICONIC Technology Center.

**BRL 170 million** net profit

# ICONIC Technology Center

## Innovation at the service of a more sustainable world

In 2023, we invested in the expansion and modernization of the ICONIC Technology Center, transforming it into one of the largest and most advanced private laboratories in Latin America. The ICONIC Technology Center is the materialization of our values and essence: knowledge, talent, collaboration, agility and commitment which, through technology, create solutions that transform and contribute to a better world. A space for innovation, research and development based on talents and global connections.

From the analysis and monitoring of used oil to the development of products and technical services, following national and international standards, our ICONIC Technology Center is a reference in the lubricants market. The robustness of our equipment, capable of carrying out analyzes of different complexities, and the high qualification of our technical staff allow us to deliver increasingly efficient and sustainable products and services, meeting the exact needs of each client, even if a new product needs to be created.

## We are a reference in research and development

Our team, made up mostly of masters/PhD graduates and other highly skilled, extensively experienced professionals, is immersed in the world of research to develop innovative technologies that have an impact on the market as a whole. Our presence at congresses, industry and university events means that this knowledge is multiplied and places the ICONIC Technology Center in a position of reference in the world of lubricants.

# Our value chain

From Research and Development to the provision of Technical Services that support our customers in a post-consumption stage, our value chain can be represented by the following illustration.
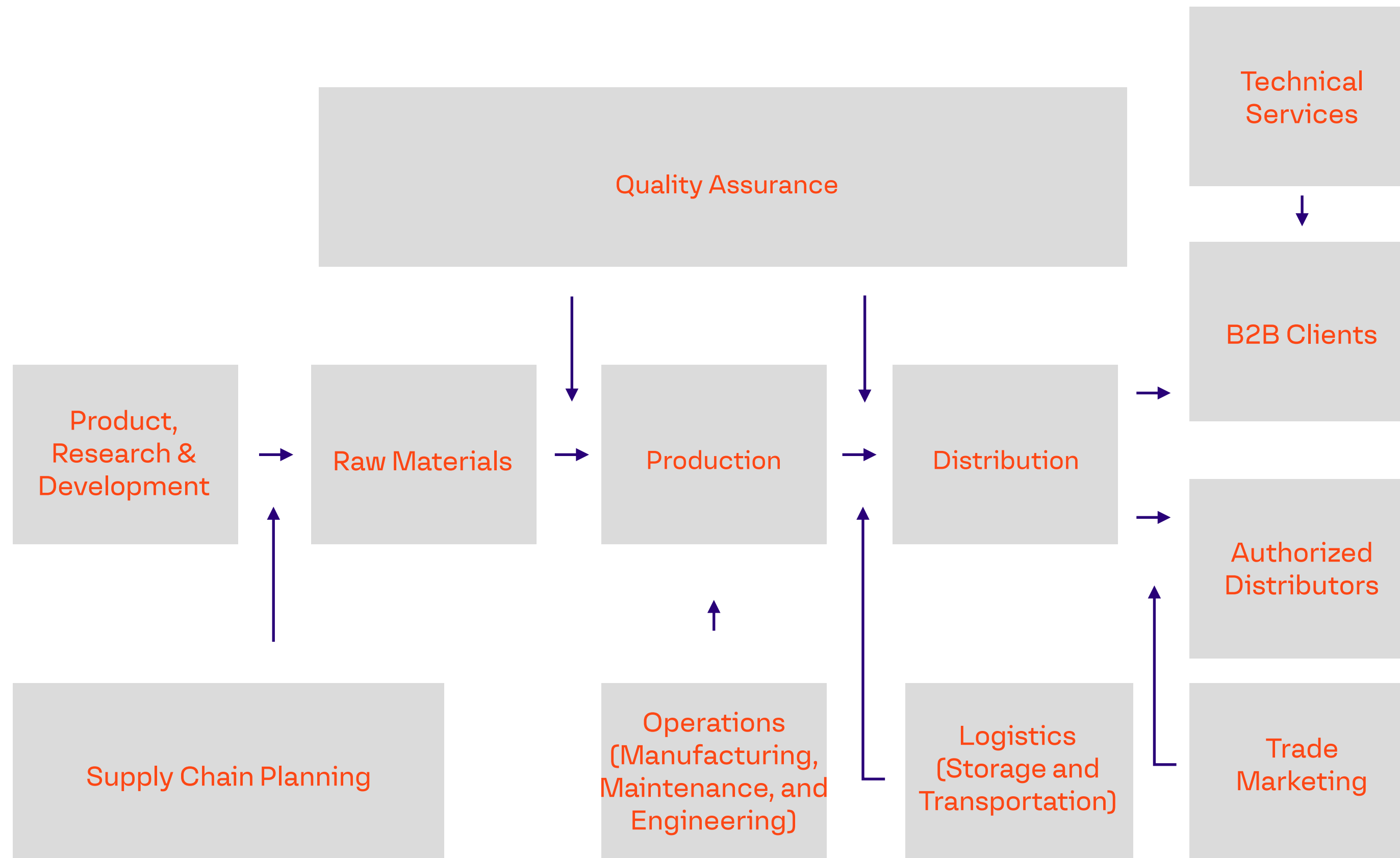


## Our certifications

We invest in the excellence of our operations. Therefore, we are one of the most recognized companies on the market, with international certifications that express our commitment to the quality of the products and services we offer.

# Our people and our culture

[GRI 2-7, 2-8]

We are a highly specialized, efficient, curious, dynamic and innovative team, made up of 544 employees (formally hired under the Brazilian Consolidation of Labor Laws) and 32 interns. With the exception of interns and young apprentices, who work 4 to 6 hours a day, all of our employees work full time, sharing essential values of the ICONIC culture: Technology, Innovation, Trust, Diversity, Collaboration, and Attitude.

During the period covered in this report, there was fluctuation in our team with a reduction in the number of employees hired of around 10% to 12% and a proportional increase in outsourced workers.

A total of 257 outsourced workers joined our team. These professionals work in our units occupying laboratory, logistics, production, maintenance and administrative positions, and are in line with our values and our organizational culture. With the exception of 26 temporary employees and 19 young apprentices, the remainder are permanent, full-time outsourced employees.

## Our professionals by gender, hiring regime, and region in Brazil – 2023

| | Permanent and Full-time |
|---|---|
| **By gender** | |
| Male | 405 |
| Female | 139 |
| TOTAL | 544 |
| **By region** | |
| Southeast | 523 |
| South | 9 |
| Northeast | 4 |
| North | 5 |
| Midwest | 3 |
| TOTAL | 544 |

*ICONIC does not hire temporary workers directly, but rather through a human resources company.

14

## We share core values

The attributes we value at ICONIC reflect our vision of the future and the way in which we want to be perceived by the market, customers, shareholders, our team, our partners and society in general.

- For us, people come first. Always. We are the protagonists of our story, owners of the business and of our future.
- We have a clear orientation towards results that are superior and sustainable.
- Customers are at the center of our decisions.
- We generate value through innovation and continuous improvement.

Technology

Innovation

Trust

Transformation

Diversity

Collaboration

Attitude
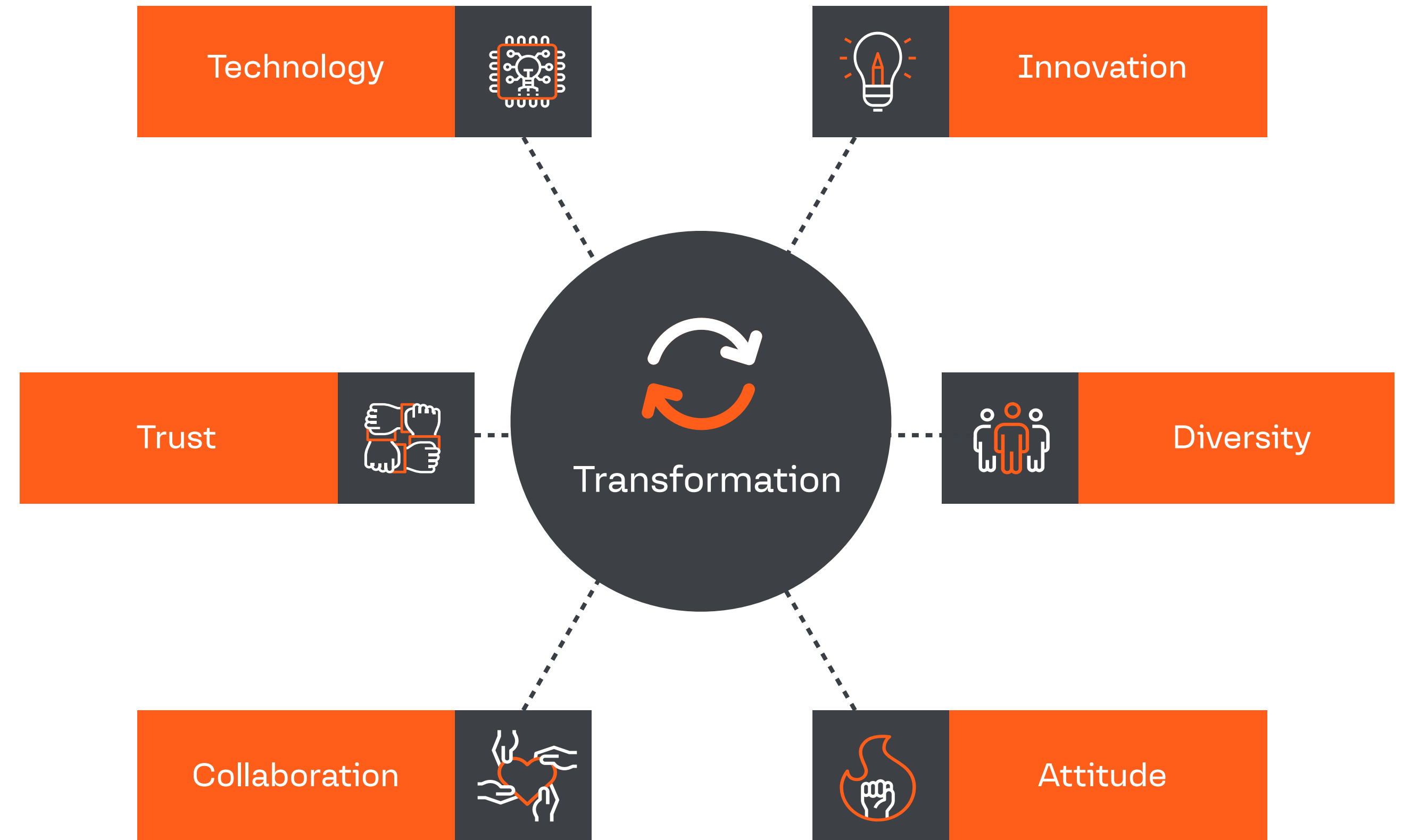
# Corporate governance

# Corporate governance

**[GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20, 2-21]**

ICONIC's governance is structured with transparency, agility and assertiveness in decision-making about our business. The Board of Directors is our highest governance body, and its composition reflects the Company's corporate structure, with three directors appointed by Ipiranga Produtos de Petróleo (IPP) - which holds 56% of the Company's shares - and two directors appointed by Chevron - with 44% of the shares. Leonardo Linden, CEO of Ipiranga Produtos de Petróleo is the chair of the board (COB), with the vice-chair position being occupied by Tracey Gardiner, vice-president of Lubricants for the Americas.

The activities carried out by ICONIC with various market agents may result in the carrying out of transactions with our Stakeholders and expose the Company to situations of conflict of interest, whether real or potential. In order to mitigate this risk, ICONIC has a Corporate Policy on Conflict of Interest and Transactions with Stakeholders that establishes the guidelines, rules and procedures to deal with situations of potential conflict of interest, ensuring transparency and independence in Company-Stakeholder relations.
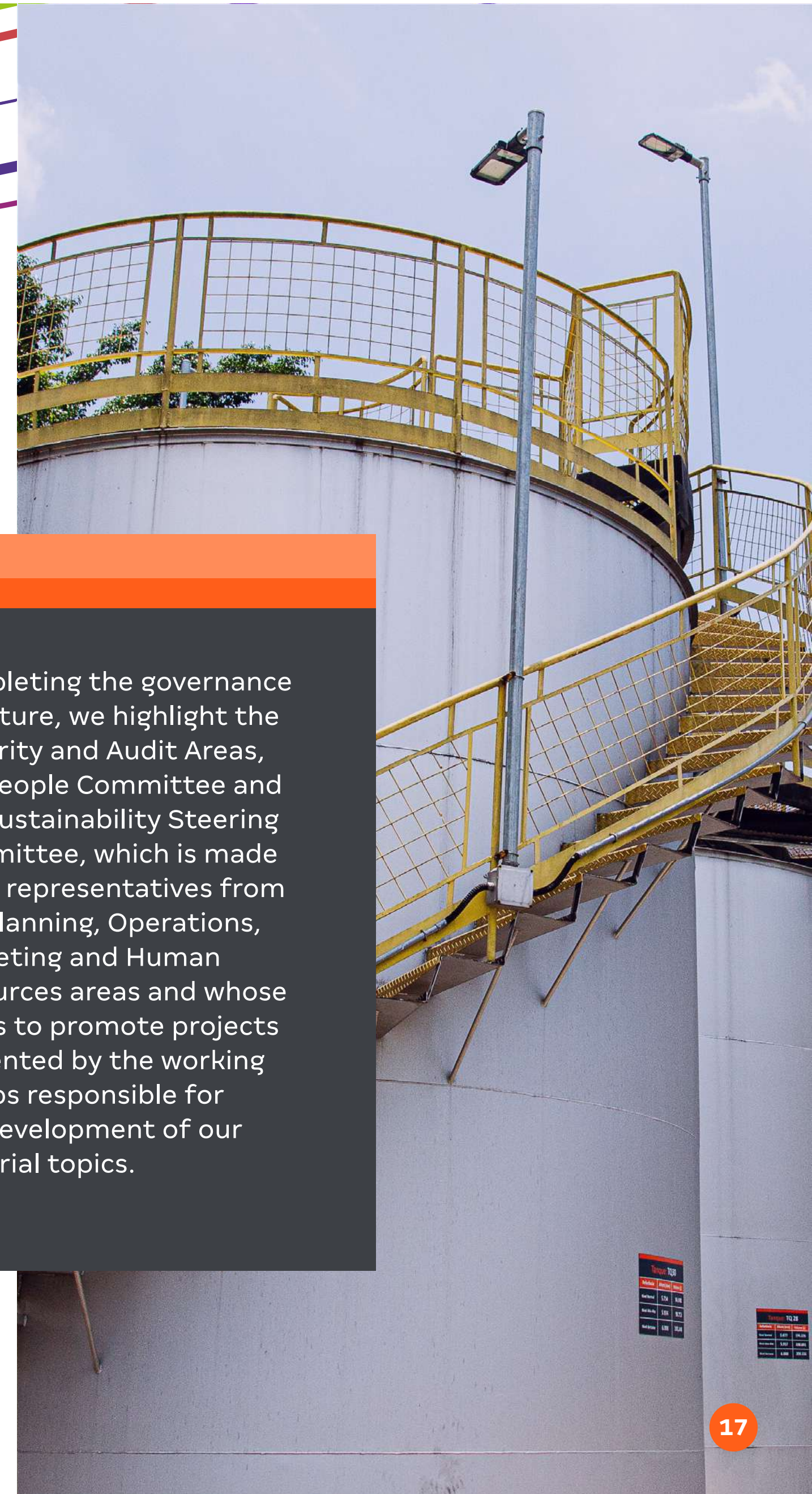
This Policy applies to ICONIC and any and all partners or employees of the Company, without prejudice to additional regulations applicable to its activities.

External representatives, suppliers, service providers and business partners, for the duration of the relationship with ICONIC, must observe the guidelines and principles established in this Policy, which must always be considered in conjunction with the Code of Ethics and other policies and company standards.
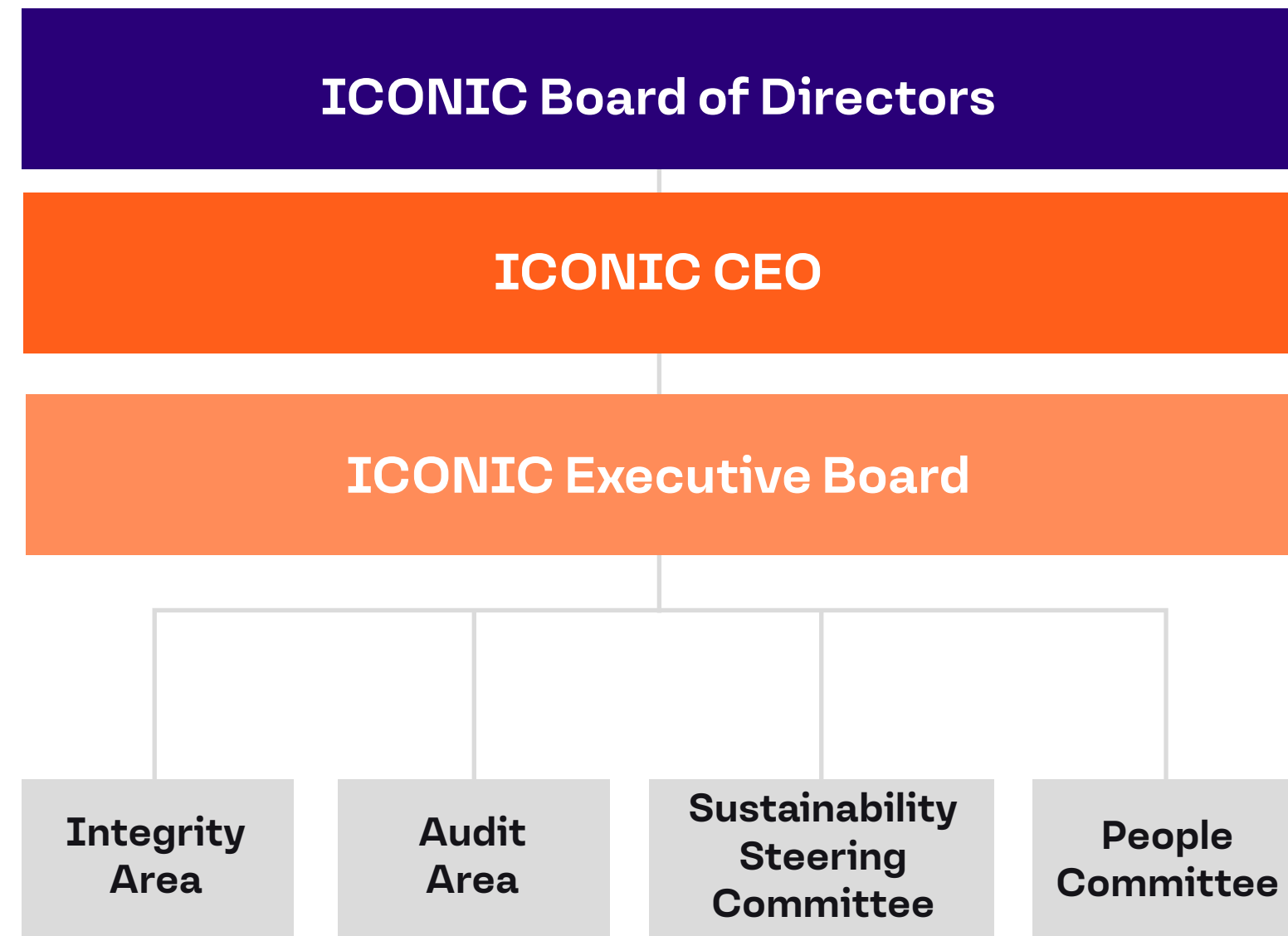
The ICONIC Board of Directors is made up of three directors, in addition to the Chair and Vice-Chair; they are: Cristiane Silva Leite (Chief Financial Officer of Ipiranga Produtos de Petróleo), Antonio Ennes de Lima (Senior Area Manager Lubricants Latin America for Chevron), and Carlos Frederico Rezende (Chief Commercial Officer of Rede Ipiranga). Of the five members of the Board, two representatives are women. No specific skills are defined for the positions of directors, and they are occupied by executives appointed by the partners.

At ICONIC, the role of CEO does not coincide with that of the COB. The CEO is responsible for strategically conducting the business in line with the major guidelines established by the Board, with his performance assessed by this body. In addition to the Company's goals, the CEO has an individual performance goal.

Completing the governance structure, we highlight the Integrity and Audit Areas, the People Committee and the Sustainability Steering Committee, which is made up of representatives from the Planning, Operations, Marketing and Human Resources areas and whose role is to promote projects presented by the working groups responsible for the development of our material topics.

17

# Organizational chart

**ICONIC Board of Directors**

**ICONIC CEO**

**ICONIC Executive Board**

| Integrity Area | Audit Area | Sustainability Steering Committee | People Committee |

Reporting directly to the CEO, the Executive Board is made up of five directors and one executive manager who combine skills and experiences that are balanced and aligned with our strategy. Each of them is responsible for one of the Company's main areas: Commercial, Operations, Planning and Control, Technology and Sustainability, Marketing, and executive management of the Basic Oils Unit. They all have company goals and individual performance goals related to their respective areas and, together with the CEO, respond to a shared goal of reducing greenhouse gas (GHG) emissions by 43% in scopes 1 and 2 by 2030, taking 2020 as the baseline year, which is a goal linked to variable remuneration.

The strategies, policies and goals related to sustainable development are presented, debated and defined by the directors at the Executive Group Meeting (EGM) and subsequently validated by the Board of Directors. Every year we carry out market research to gather relevant information to support our executives in managing the organization's impacts on the economy, the environment, and people. Meetings of executive directors to monitor the goals established in the ESG 2030 agenda are held monthly. Meetings are held every three months in the presence of the Board of Directors. The CEO and Executive Board are responsible for the final validation of the sustainability report.

All relevant issues related to internal or external stakeholders are taken up for deliberation at the EGM, on a weekly basis. Action plans to mitigate negative impacts are debated and defined jointly by the executive level, including possible investments, and are subsequently approved by the Board of Directors whenever concerns are critical. During the period covered in this report, there were no cases of critical concern, and no crisis committees management were required.

# Strategy, policies and practices

# Strategy, policies and practices

[GRI 2-23, 2-24, 2-25, 2-26, 2-27, 2-28]

ICONIC's guidelines are broken down into three corporate policies (Corporate Anti-Corruption and Public and Private Sector Relationship Policy, Conflict of Interest and Transactions with Stakeholders Policy, and Corporate Competition Policy) and a Code of Ethics, all approved by the Board of Directors as part of our Integrity Program and available on the Company website. The policies aim to guarantee and preserve the Company's principles of ethics and integrity, shareholder interests and data security and privacy.

We are a Company committed to human rights and we ensure compliance in all our relationships. The topic is addressed in our Code of Ethics, whose objective is to ensure the best practices of responsible business conduct, and which details the Company's principles regarding human rights in our relationships with the main stakeholders.

We have ethics and transparency at the center of our relationships, and we are known for our integrity and adherence to best governance practices. These values are reflected in the image and reputation of our brand in society, and also positively influence our employees, business partners and industry peers. Furthermore, every new supplier or business partner is evaluated on reputational and socio-environmental aspects before providing services or starting a relationship with ICONIC.

We are a company certified in ISO 9001, 140001, 45001 and IATF standards, whose premise is to gather Critical Analysis assessments to determine all the risks and impacts of our operation. Our risk management process follows the guidelines of the Ultra Group Corporate Risk Management Policy, last updated in 2021, which establishes the main aspects for monitoring and mitigation instruments, as well as the roles and responsibilities of those involved.

Our Integrated Management System translates the ICONIC sustainability guidelines, ensuring that all processes are monitored in order to minimize impacts on the environment and people's health and safety, while also ensuring the quality of the products and services provided. The critical analysis carried out annually also seeks to monitor the effectiveness of our management system.

Every time we come across a deviation or occurrence, we report, classify and investigate the root causes within our loss prevention system. We implement lessons learned to treat and prevent recurrence. We also act preventively using a Loss Prevention Verification procedure and our Work in Progress Assessment, in addition to standardizing procedures aimed at optimizing processes, ensuring the sustainability of the operation, and exchanging experiences and knowledge among employees.

The Ultra Group, of which Ipiranga - one of ICONIC's partners - is a part, operates the Canal Aberto Ultra, an open channel available 24 hours a day, in Portuguese and English, by calling 0800 701 7172 or online access at www.canalabertoultra.com.br, that is the official tool for employees and other stakeholders to request guidance or report conduct that violates the Code of Ethics, Corporate Policies or the applicable legislation. These channels are managed by an independent company to ensure anonymity and non-retaliation.

**Learn about our Integrity Policies at: https://iconic.com.br/integridade**

Our Operational Excellence Policy presents the Company's Health, Safety, Environment, Quality and Social Responsibility (HSEQSR) management actions, the Safety Guidelines being our beacon. These guidelines encompass the Golden Rules of Safety launched in 2022 with management tools for leaders to act based on a clear policy of consequences that can promote education (when unsafe behaviors are identified) or awareness (when safe behaviors are identified), thus establishing the safety rules that all employees must follow.

Seeking to improve a safety culture with our carriers and logistics partners, we have a project called On the Safety Route that is part of our safety promotion program, the Viver. Based on an educational methodology that reinforces appropriate procedures through training, we aim to reduce accidents and increase risk control on the roads.

In addition to the dialogue mechanisms above, we also provide communication channels to facilitate contact with the community surrounding our plants in the event of an emergency. Communications from the external public related to aspects of Safety, Health, Environment, People, Quality of Products and Services, and Value Chain must be made through the portal.ipiranga website, by calling 3003-3451 or 0800-7205356 (Central Ipiranga), or the Customer Service line 0800 704 2230.

With the purpose of strengthening our culture of preventive safety, reliability and operational sustainability, the entire company has a bonus linked to compliance with safety, occupational health and environmental agreements, which is a collective and not an individual goal.

We follow the guidelines of the Corporate Privacy and Personal Data Protection Policy of the Ultra Group, established in 2020, after the entry into force of the General Personal Data Protection Law (LGPD). We have structured our Privacy Office, a multidisciplinary group that works in the governance and processing of personal data, increasing the level of security in information technology environments.

It should be noted that ICONIC has not received complaints related to privacy and has not identified leaks, theft or loss of data from customers and other groups in 2023.

**We currently participate in meetings and initiatives of the following institutions**

- Brazilian Petroleum, Gas and Biofuels Institute (IBP)

- Brazilian Downstream Association (ABD)

- National Union of Fuel and Lubricant Distributing Companies (Sindicom)

- Brazilian Automotive Engineering Association (AEA)

- Legal Fuel Institute (ICL)

21
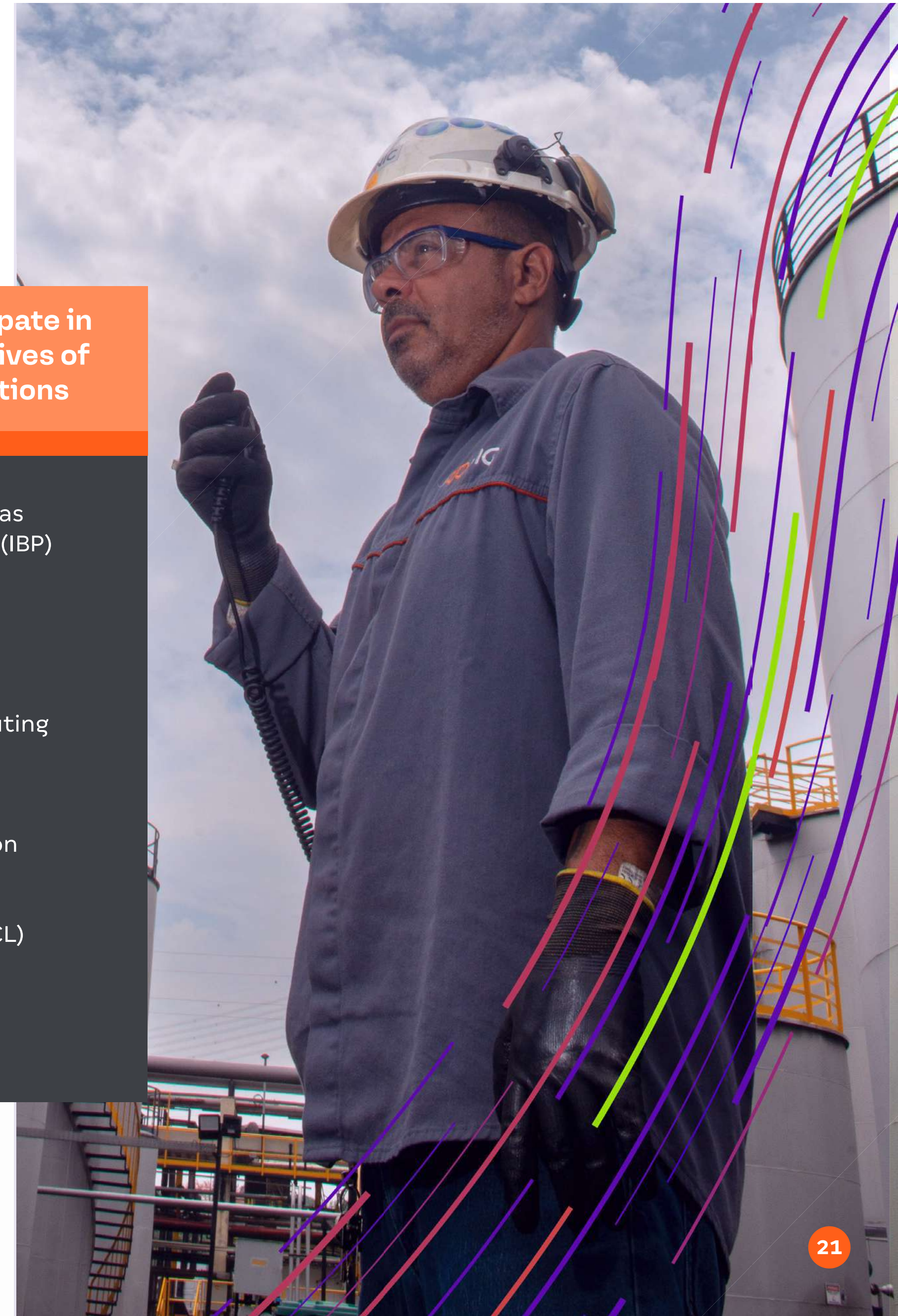
# Stakeholders engagement

# Stakeholders engagement

**[GRI 2-29]**

At ICONIC, we promote engagement with our stakeholders on an ongoing basis, as we understand that it is only possible to move towards sustainability by developing joint solutions, sharing experiences and generating mutual learning. This engagement allows us to advance on important fronts, such as initiatives to reduce greenhouse gas (GHG) emissions, increase the use of PCR resin in our packaging, and the creation and expansion of programs and training on sustainable practices.

Our main stakeholders are shareholders, suppliers and distributors, customers and consumers, sector associations, employees, government bodies, regulatory bodies, with emphasis on the ANP (National Petroleum Agency), the third sector, the press, and communities.

The lessons learned from the continuous interface with our customers, from different profiles and business segments, contribute to boosting and improving our innovation structure.

Communication and close interface with our distributors allow us to develop regional and customized business strategies, agreeing on commercial objectives aligned with the needs and demands of both interested parties.

In addition to recurring visits by ICONIC's commercial team to our distributors throughout Brazil, we strengthen our dialogue and relationship at an annual meeting in São Paulo. At this meeting, the Company's objectives and goals for that year are presented, along with the commercial planning and support levers offered by ICONIC for the development of their businesses.

We also conduct annual satisfaction surveys with several of our stakeholders in order to understand our strengths and identify areas for improvement.

**Stakeholders and main communication and dialogue channels**

**Community**
- Open channel
- Voluntary work
- Social media
- Website

**Shareholders**
- Five annual meetings
- Annual disclosure of financial results

**Employees**
- Workplace
- Mood survey
- Viver Program
- Social media
- Training
- Open channel

**Government Bodies**
- Meetings
- Committee meetings
- Website
- Open channel
- On-site visits to operations
- Email
- Social media

**Customers and Consumers**
- Open channel
- Website
- Social media
- Service Center

**Third Sector**
- Voluntary work
- Social media
- On-site visitation to social projects
- Website
- Press

**Trade association**
- Trade meetings
- Open channel
- Committees and external working groups

**Press**
- Press Release
- Interviews
- Events
- Website
- Social media

**Suppliers and Distributors**
- Selection and hiring
- Open channel
- Meetings
- Website
- Mais Program
- Valor Program
- Distributor development program

**Regulatory bodies**
- Meetings
- General meeting

23

# Materiality assessment

# Materiality assessment
**[GRI 3-1, 3-2]**

Understanding that the nature of our business challenges us not only to seek innovations to satisfy the market, but also to contribute with solutions to face the social and environmental problems that arise, we have focused over the last three years on building a concrete sustainability strategy integrated with our growth plans.

In 2021, based on consultation with all stakeholders in our production chain and a study of advances, gaps and global trends in oil and gas and similar categories, we completed an in-depth diagnosis that stands at the foundation of our materiality strategy.

The result of this work was the structuring of a consistent sustainability program – the ICONIC Sustainable Future - consisting of our priority macro topics: Ethics and Integrity; Health, Safety and Well-being; Management of Raw Materials, Products and Waste; Socio-Economic Development; People Management, Diversity and Inclusion; Energy Transition, and Innovative Solutions.

In 2023, in addition to establishing public commitments that reflect our belief in the importance of sustainability for businesses and society, we carried out a broad review process of material macro topics considering the GRI 11 Sector Standard for Oil and Gas. The review was done in 4 steps as per Disclosure 3-3 in GRI 3 2021:

## Stage 1

Identification of an initial list of positive and negative impacts, both actual and potential, based on the analysis of the value chain, the social, environmental and economic context of the territories where we operate and the main objectives, values and organizational goals of ICONIC. Still at this stage, we carried out a benchmarking survey of the sector to compare the impacts identified.

The actual positive impacts analyzed reflected benefits and opportunities that ICONIC generates for society and other stakeholders, the environment, and the economy. Potential positive impacts were those capable of generating such benefits.

Likewise, the actual negative impacts assessed reflected impacts that are already observed on society and other stakeholders, the environment, and the economy. Potential negative impacts, on the other hand, were those that had not yet occurred, but were likely to occur.

## Stage 3

Prioritization of impacts by significance (from greatest to least) and definition of material topics based on the established threshold.

## Stage 4

Validation of material topics prioritized by ICONIC and stakeholders, together with the reporting team and senior management.

## Stage 2

A digital consultation form (eForm) sent to all ICONIC leadership to analyze the significance of these impacts. Actual negative impacts took into account severity, scale and irremediable character aspects. For potential negative impacts, the probability of occurrence was also added. For actual positive impacts, the degree and scale of the benefit were considered. As with potential negative impacts, the probability of occurrence of potential positive impacts was also added.

At the end of the materiality analysis, the seven macro topics of our sustainability strategy, twenty material topics and one relevant topic were confirmed, as shown below.

# Macro topics, material topics, and relevant topic
**[GRI 3-2]**

## Management of Raw-Materials, Products and Waste
- Waste
- Water and effluents
- Biodiversity

## Energy Transition
- GHG emissions
- Energy
- Climate adaptation, resilience and climate transition

## Socio-economic Development
- Local communities
- Economic impact

## People Management, Diversity and Inclusion
- Diversity and inclusion
- Employment practices: training, job creation and income generation
- Freedom of association and collective bargaining

## Health, Safety and Well-being
- Occupational health and safety
- Asset integrity and process safety accident management

## Ethics and Integrity
- Anti-competitive behavior
- Anti-corruption
- Payments to governments
- Public policies
- Forced labor and modern slavery

## Innovative Solutions

## Relevant topic
- Closure and rehabilitation

26
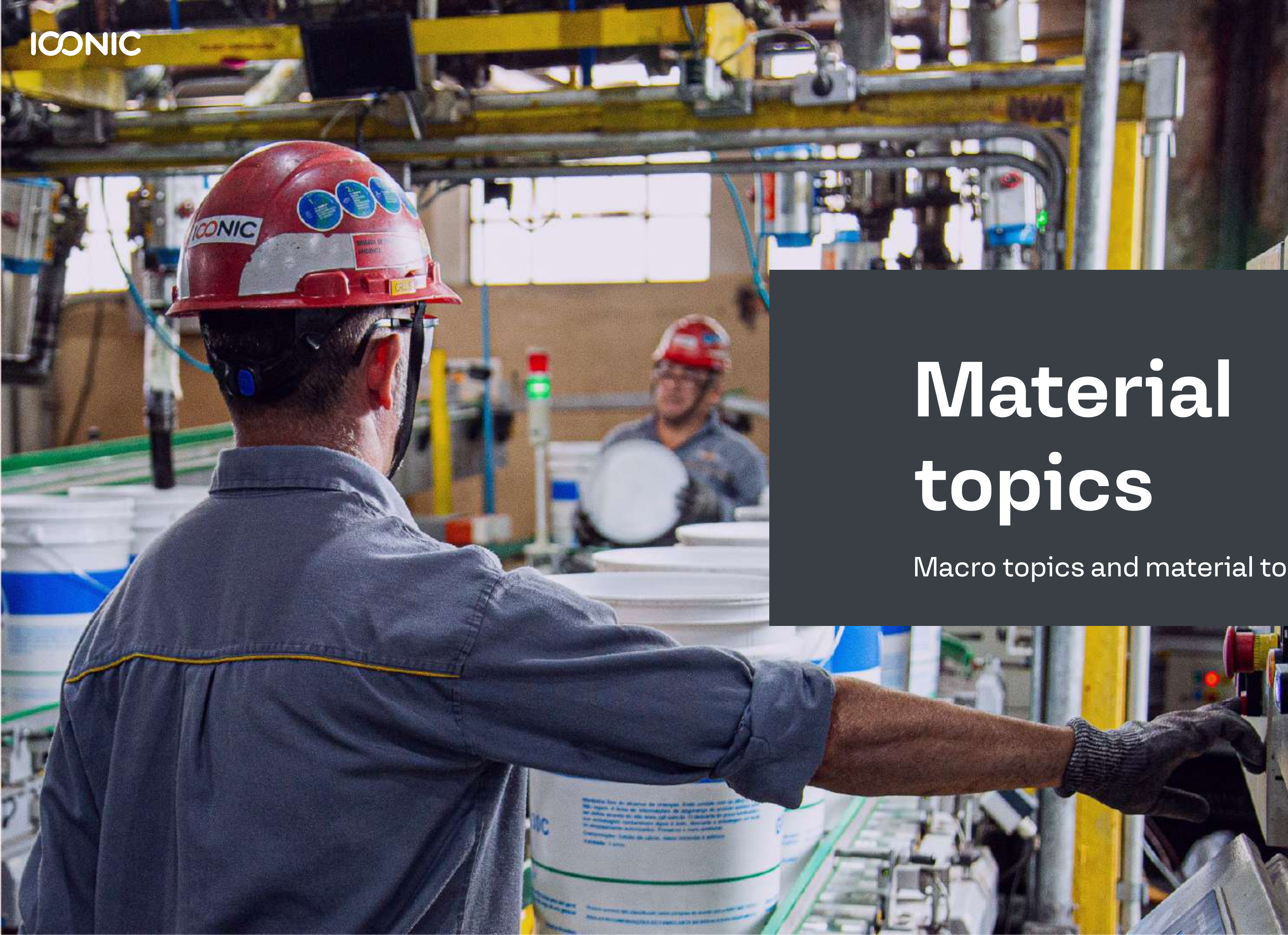
# Material topics

Macro topics and material topics

# Management of raw materials, products and waste

## Waste

[GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5]

ICONIC's manufacturing units are certified with ISO 14001, an international standard that regulates effective environmental management, promoting the reduction of negative impacts and the constant improvement of corporate environmental conservation practices.

We are actively committed to adopting measures aimed at reducing and managing waste responsibly throughout our entire value chain. We have implemented internal circularity mechanisms that aim to minimize the generation of waste in our daily activities, prioritizing the reduction of materials at source, reuse and efficient recycling.

Furthermore, we extend this commitment to partners throughout our value chain, promoting awareness and encouraging the implementation of good environmental practices. These actions align with our sustainable business vision, according to which efficiency and environmental responsibility are fundamental to building a better future.

### Innovation to promote a circular economy and reduce the use of raw materials

We are committed to reducing materials in the packaging of our products and promoting a circular economy. In 2022, we began to move towards reducing the use of virgin plastic polymers. Throughout 2023, several initiatives were implemented to reduce the plastic content of our product packaging by using post-consumer recycled (PCR) resin and reducing the weight of bottles. Our 20-liter drums, for example, are already partially produced with post-consumer material, that is, recycled resin (PCR).

In 2023, we hired a supplier that produces our 20L packaging using 40% PCR, as well as two other partners that produce packaging with 20% and 5% PCR. For packaging that currently has a PCR proportion of less than 40%, our goal for 2024 is to increase value with suppliers that reach 40% use of this type of resin. Regarding 20L packaging, which already has this percentage of PCR, we are in the testing phase to reach up to 60% use of recycled resin.

In the case of 1L black containers, in addition to using 26% PCR, in 2023 we managed to reduce their weight from 55 g to 53 g, which represents a 3.63% decrease in plastic materials for these containers. We plan to reduce the weight of 4-liter packaging by 2024, as well as add up to 20% PCR. We are also monitoring tests to reduce the weight of 20L drums.

Furthermore, we are carrying out studies and tests to use PCR in the lids of our products. Two models were tested on the production line: a black lid with 50% PCR and an induction seal replacing plastic with cardboard. Both tests were successful, and the next step is storage testing so that the new lids can be safely implemented as soon as possible.

Another highlight of 2023 was the 33% reduction in the consumption of plastic film used to wrap pallets protecting product packaging. We are also expanding our product portfolio available in larger packages and leveraging bulk distribution: initiatives that will contribute to reducing the consumption of plastic materials.

28

## Waste management

Based on the Waste Management Plan and in accordance with the certification premises of the manufacturing units with the ISO 14001 standard, we established the way of managing impacts related to this topic, considering everything from the receipt of inputs and raw materials used for manufacturing our products to the production and consumption processes of lubricating oils, greases and coolants.

The generation of Class I hazardous materials is significant at ICONIC due to its primary manufacturing activity. The generation of non-hazardous Class IIA materials, in turn, derives from the Company's administrative activities. The generation of non-hazardous Class IIB materials is occasional, mainly caused by works carried out at the Company's units.

In our industrial units, waste undergoes selective collection and is stored separately in waste centers. We rely on partner companies duly licensed and authorized by environmental agencies to collect this waste and take it to a treatment/recycling site or final destination. We control and update the documentation of these companies to ensure that the entire process complies with applicable legal requirements.

## Class I hazardous waste generated – 2023
**[GRI 306-3]**

| Type | Volume (tonne) |
|---|---|
| Contaminated metal drums | 194.8 |
| Used or contaminated lubricating oil | 66.6 |
| Expired or contaminated grease | 64.8 |
| Coolants | 37.4 |
| Industrial effluent | 32.5 |
| Cooling tower washing liquids | 20.0 |
| Contaminated cardboard | 14.1 |
| Oily sludge | 10.9 |
| Other | 164.0 |
| TOTAL | 605.1 |

## Class IIA and IIB non-hazardous waste generated – 2023
**[GRI 306-3]**

| Type | Volume (tonne) |
|---|---|
| Clean. segregated construction waste | 421.8 |
| Clean wood scrap | 150.2 |
| Clean paper and cardboard | 93.6 |
| Waste generated outside the industrial process | 65.7 |
| Sanitary sewer | 60.2 |
| Organic waste | 43.7 |
| PET tape | 29.9 |
| Clean plastic scrap | 29.9 |
| Miscellaneous metal parts | 19.2 |
| Non-segregated waste | 18.3 |
| Other | 14.1 |
| TOTAL | 946.6 |

Fuel-contaminated materials are collected and disposed of in accordance with our procedures and standards. At the Osasco plant, CADRIs (Certificates of Waste Movement of Environmental Interest) are issued by CETESB (Environmental Company of the State of São Paulo) to authorize the collection and treatment of hazardous waste of interest to the agency. Additionally, CADRI certificates establish annual limits on the quantities of waste that can be moved. Therefore, we constantly monitor both the validity of CADRI certificates and the established limits so that their renewal is guaranteed.

There is no recovery of hazardous and non-hazardous waste within the organization, that is, within the physical limits or administrative control of ICONIC. The recovery of this waste, both hazardous and non-hazardous, is carried out outside the organization and the main processes used in the case of hazardous waste are the reconditioning of metal drums for reuse, recycling of contaminated plastic packaging, and blending for co-processing. In the case of non-hazardous waste, recovery is done by recycling materials such as paper, cardboard, plastic and metals, reusing construction waste, and composting organic waste.

## Total hazardous and non-hazardous waste diverted to disposal (T) – 2023
[GRI 306-5]

| | Hazardous waste | Non-hazardous waste |
|---|---|---|
| Incineration with energy recovery | - | - |
| Incineration with no energy recovery | - | - |
| Waste confinement (landfills) | 9.0 | 115.5 |
| Other disposal operations (composting) | - | 43.7 |
| Other disposal operations (external wastewater treatment) | 82.5 | 60.2 |
| Total | 91.5 | 219.4 |

## Total hazardous and non-hazardous waste recovered (T) – 2023
[GRI 306-4]

| | Hazardous waste | Non-hazardous waste |
|---|---|---|
| Preparation for reuse | 274.6 | 374.5 |
| Recycling | 54.0 | 350.2 |
| Other recovery processes | 185.0 | 2.5 |
| Total | 513.6 | 727.2 |

There is no disposal of hazardous and non-hazardous waste within the organization. All hazardous waste is sent to landfills. As for non-hazardous waste, most of it is sent to landfills and a smaller portion is disposed of in other ways (such as composting for Class II waste).

We are a company associated with the Jogue Limpo (www.joguelimpo.org.br) program for reverse logistics of used lubricating oil packaging. The program is part of an agreement between manufacturing companies in the sector and the Brazilian Ministry of the Environment. In 2023, our total recycled volume was 1,155,971 kg.

In addition to the proper disposal of packaging, used lubricating oil is collected and re-refined by companies approved by the ANP (National Agency for Petroleum, Natural Gas and Biofuels). In 2023, 102,331,013 liters of used oil were collected.

**In 2023, 83% of ICONIC's waste was recycled and/or reused.**

30

# Water and effluents

[GRI 3-3, 303-1, 303-2, 303-3, 303-4, 303-5]

We operate with two manufacturing units, in Duque de Caxias (RJ) and Osasco (SP), a base oil terminal and one main office, both in the city of Rio de Janeiro. The use of water resources within our operation depends on each unit location.

Water is collected from the municipal supply at the base oil terminal in São Cristóvão and at the industrial unit in Osasco. At the Duque de Caxias unit, water is supplied in water trucks by a certified third-party company. No ICONIC unit captures water directly or is located in areas characterized by water stress.

The units' water consumption occurs mainly for firefighting systems, industrial cleaning, steam generation and cooling systems. The production process of lubricating oils at the Osasco plant does not require the intensive use of water, except for generating steam and manufacturing engine cooling fluids. Therefore, our operation has insignificant impacts on the consumption of this resource.

Water consumption and effluent disposal are monitored by the Safety, Quality and Environmental (SQE) management system. Furthermore, we annually submit a pollution load declaration to the environmental agency pertaining our three units (Duque de Caxias, Osasco, and the Basic Oil Terminal in São Cristóvão). At each unit, the assessment of water-related impacts is conducted based on a survey of environmental aspects and impacts (EAI), for which our employees receive periodic training.

All of our units have industrial and sanitary effluent treatment plants. Effluent parameters are analyzed as required by current legislation. At the Osasco and São Cristóvão units, effluents are released into the local concessionaire's collection network. At the Duque de Caxias unit, the effluent is released into the Honorato Channel. ICONIC meets legal standards for effluent discharge, often well below the limits defined by federal and state legislation.

## Water withdrawal (ML) – 2023    [GRI 303-3]

| | Volume (tonne) | Other types of water | Total |
|---|---|---|---|
| Surface water | - | - | - |
| Groundwater | - | - | - |
| Seawater | - | - | - |
| Produced water | - | - | - |
| Third-party water withdrawals | 46.9 | - | 46.9 |

## Water consumption (ML) – 2023    [GRI 303-5]

| | Fresh water | Other types of water |
|---|---|---|
| Surface water | - | - |
| Groundwater | - | - |
| Seawater | - | - |
| Produced water | - | - |
| Third-party water withdrawals | 5.1 | - |

We have an internal Effluent Management procedure that provides for monitoring on a quarterly basis, or at shorter intervals if required by legislation at the state or municipal level. This is a prerequisite for obtaining the Operating License and others as determined by the competent environmental agency in order to verify the conditions for releasing the effluent. In accordance with the Effluent Management procedure, any parameter deviation must be noted in the non-compliance log to analyze possible causes and establish relevant corrective actions.

At a federal level, we follow the CONAMA Resolution No. 357/05, which provides for the classification of water bodies and environmental guidelines and establishes the conditions and standards for releasing effluents, as well as the CONAMA Resolution No. 430 dated 05/13/2011, which covers with the conditions and standards for effluent discharge.

In the State of Rio de Janeiro, we comply with the technical standard NT-202.R-10, which establishes Criteria and Standards for the Discharge of Liquid Effluents; the Organic Load Control Guideline for Liquid Effluents of Industrial Origin - DZ-205.R-6; the Draft Operational Standard NOP-INEA-45, dated 02/08/2021, which establishes new criteria and standards for the discharge of sanitary sewage; the NOP-INEA-08 on Criteria and Standards for Control of Acute Ecotoxicity in Liquid Effluents; and the NOP-INEA-48, State Program for Self-Control of Liquid Effluents (PROCON Água).

Regarding the State of São Paulo, we comply with State Law 997/76, which provides for the prevention and control of environmental pollution, approved by Decree No. 8468/76.

## Water discharge (ML) – 2023    [GRI 303-4]

| | Fresh water | Other types of water | Total |
|---|---|---|---|
| Surface water | 27.4 | - | 27.4 |
| Groundwater | - | - | - |
| Seawater | - | - | - |
| Produced water | - | - | - |
| Third-party water withdrawals | 14.4 | - | 14.4 |

# Biodiversity

[GRI 3-3, 304-1, 304-2]

We are committed to preserving the environment and biodiversity in all our activities. Operations in locations that can potentially affect biodiversity are therefore carried out responsibly and are always monitored. In addition to training our operators, we have an emergency team for any and all maritime operations to minimize any potential impact. With the Viver Program, ICONIC strengthens the culture of prevention by adopting safe operations and reliable and environmentally responsible processes, without accidents or losses. We do not have operations in or near protected areas.

In 2023, there were 4 spills in the area of operations, all considered minor events. None of them occurred outside the containment area and care was provided within the scope of our internal emergency plan. For situations involving road and maritime accident, we hire emergency response companies (Ambipar and Hidroclean) with support for environmental issues.

In 2023, we introduced the Fluir project, whose main action is to increase the draft limit to enter or leave the port of Rio de Janeiro. The project contributed to the development of the port, benefiting not only ICONIC, but all the companies that load/unload their products there. Rock blasting to increase the port's draft began in the 2nd half of 2023 and is scheduled to end in the 1st half of 2024. The operation is being supervised by the company responsible for marine environmental monitoring, PH MAR.

## Environmental monitoring during the blasting stage - The Fluir Project

- **Seismometers and Environmental Noise**

- **Seawater quality**

- **Underwater Noise**

- **Benthic community of unconsolidated substrate**

- **Planktonic Communities**

- **Sighting of marine mammals and sea turtles**

- **Estimation of the affected fish fauna**

32

# Energy transition

## GHG emissions

**[GRI 3-3, 305-1, 305-2, 305-4, 305-5]**

We understand the energy transition as one of the biggest challenges in the contemporary world and we acknowledge that it is our role, as a company that intends to exercise a socio-environmentally sustainable stance, to contribute to its achievement. We are aware of the environmental aspects arising from our activities, from the production process to the value chain. Therefore, in 2020 we began our journey towards a significant reduction in GHG emissions.

To define our emission reduction targets, as well as to design an effective action plan to achieve them, we mapped the major detractors within our operation and identified our main sources of GHG emissions supported by scope 1 and scope 2 emission measurements. We mapped the following as our detractors: Natural Gas Boilers, Electricity, Forklifts, and Cooling. Diesel boilers – BPF, which were also identified as violating our emissions reduction plan, were discontinued in 2022.
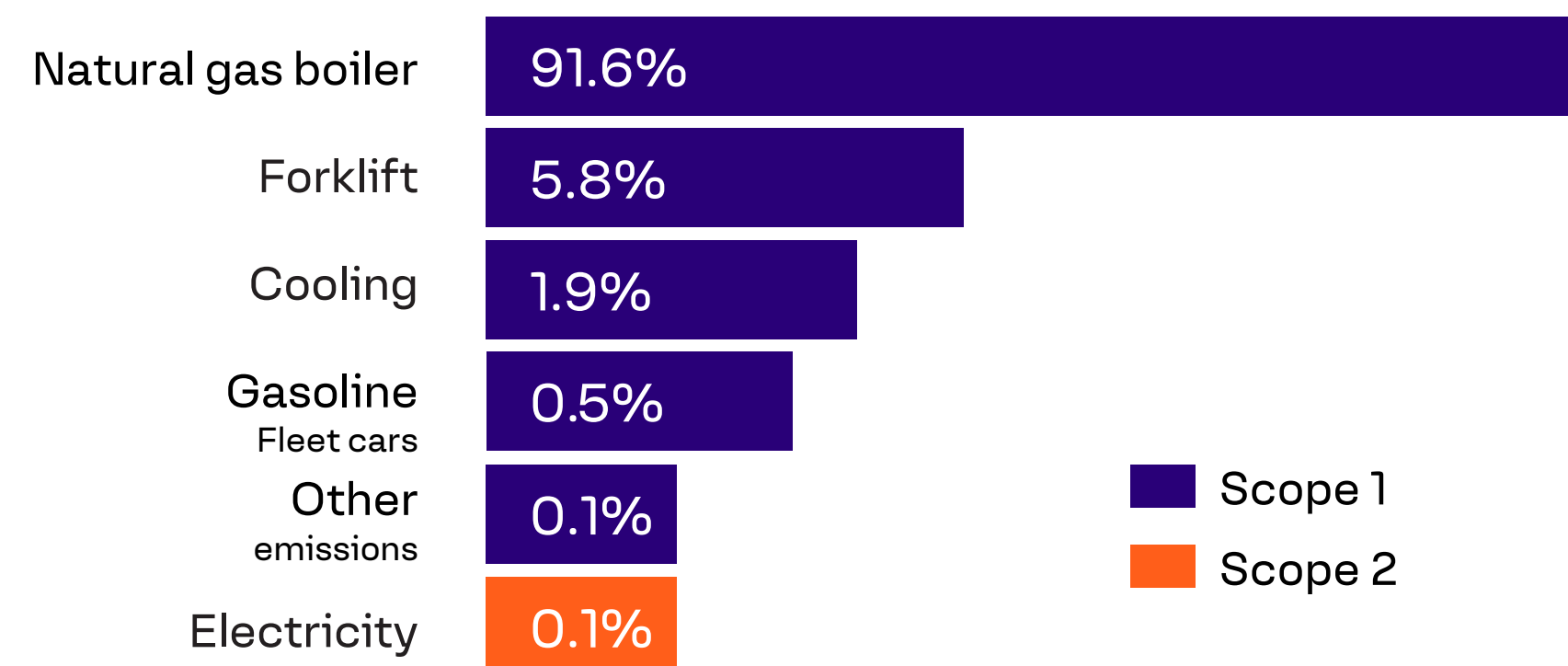
From then on, our ambition to reduce GHG emissions and our annual targets have been adjusted according to the investments and improvements implemented and foreseen in our action plan.

In 2021, we made several operational improvements to reduce fugitive emissions:

### 2023

| | |
|---|---|
| Natural gas boiler | 91.6% |
| Forklift | 5.8% |
| Cooling | 1.9% |
| Gasoline Fleet cars | 0.5% |
| Other emissions | 0.1% |
| Electricity | 0.1% |

■ Scope 1
■ Scope 2

## What was accomplished

### Boiler

**Completed**
- Change in frequency of use of the BPF boiler (4 h/month)
- Steam line repair
- Optimized use of the boiler in São Cristóvão
- Demobilization of the second work shift in São Cristóvão
- Employee overtime reduction
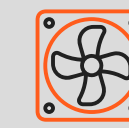
### Cooling

**Completed**
- Replacement of 70% of Al/Cu capacitors
- Maintenance, operation and control plan (MOCP)
- Use of refrigerant gas leak detectors

### Fire extinguishers

**Completed**
- Fume compensation

### Fuel

**Completed**
- Preferred use of ethanol in fleet vehicles

33

As early as 2021, we entered the free energy market and began purchasing electricity exclusively from renewable sources with an I-REC certificate, which proves the origin of the energy purchased. As a result, 100% of the electricity consumed in our manufacturing units is certified and we have zero scope 2 GHG emissions.

Also in 2021, we acquired three Miura modular boilers for the Duque de Caxias plant, whose distinguishing characteristic is the burning intensity that varies according to our production needs. The Miura boilers began to be used in September 2022 and therefore the scaled result cannot be observed that year. However, in 2023, we were able to observe an exponential reduction in our GHG emissions resulting from using the new boiler. Furthermore, the Energy Transition working group carried out a study of alternatives, with biogas being considered the most viable. We are working to implement this energy source by the end of 2024.

Another important step in our energy transition journey was the move towards the use of ethanol in the fleet of cars rented by the company in 2022. Today, 70% of our fleet runs on ethanol and only 30% continues to use gasoline as fuel.

Also as part of our action plan to reduce GHG emissions, we replaced our fleet of LPG-powered forklifts with electric ones at the Osasco plant, which resulted in a significant decrease in the consumption of non-renewable energy sources.

In 2023, the change in the nature of the operation of the São Cristóvão plant also contributed to our ambition to reduce GHG emissions. The plant became a base oil terminal, its main activity being the storage of the volume of base oils coming mainly from international locations.

We currently measure and act on mitigation fronts relating to scope 1 and scope 2 emissions. Our GHG emissions inventory is carried out by a specialized consultancy. As a next step in our energy transition trajectory, in 2024 we will begin measuring emissions occurring in scope 3 in the following upstream activities: waste management generated in operations, business trips and employee commuting (home-work-home).

## GHG emissions and emission intensity – 2023
**[GRI 305-1, 305-2, 305-4]**

| | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| Scope 1* (t $CO_2$eq) | 5,329 | ≤4,727 | 4,223 | 4,253.7 |
| Scope 2** (t $CO_2$eq) | – | – | – | 4.3 |
| Total emissions*** (t $CO_2$eq) | 5,329 | ≤4,727 | 4,223 | 4,258 |
| Emission intensity (t $CO_2$eq/m$^3$) | 0.018 | ≤0.016 | 0.015 | 0.013 |
| Volume produced (m$^3$) | – | – | – | 325,283 |

*Gases included in the scope 1 calculation: $CH_4$, $CO_2$, HFCs, $N_2O$.
**Gases included in the scope 2 calculation: $CO_2$.
**Scope 2 emissions are close to 0.1%, as all electrical energy consumed in our manufacturing plants comes from renewable sources and only the electrical energy used in ICONIC's main office, in Barra da Tijuca (RJ), comes from non-renewable sources.
***Methodologies used: GHG Protocol Corporate Accounting and Reporting Standard ISO 14064-1.

Note that the increase in greenhouse gas emissions in 2023 was due to the increase in production volume. The efficiency of the process is demonstrated by the achieved result of reducing emissions intensity (relative emissions) by –15.82%, compared to 2022.

Given the importance of the climate issue for our business and society, our Sustainability Committee continues to map new opportunities to reduce greenhouse gas emissions in our operations, pursuing continuous improvements that strengthen this agenda within the company and contribute effectively for our energy transition plan.

## Reduction of GHG emissions – 2023
### [GRI 305-5]

| | Baseline (2020) | Result (2023) |
|---|---|---|
| Gross emissions | 5,329 (0) | 4,258 (-20,1%) |
| Relative emissions | 0.018 (0) | 0.013 (-26.2%) |

% reduced in relation to the 2020 target (baseline)*
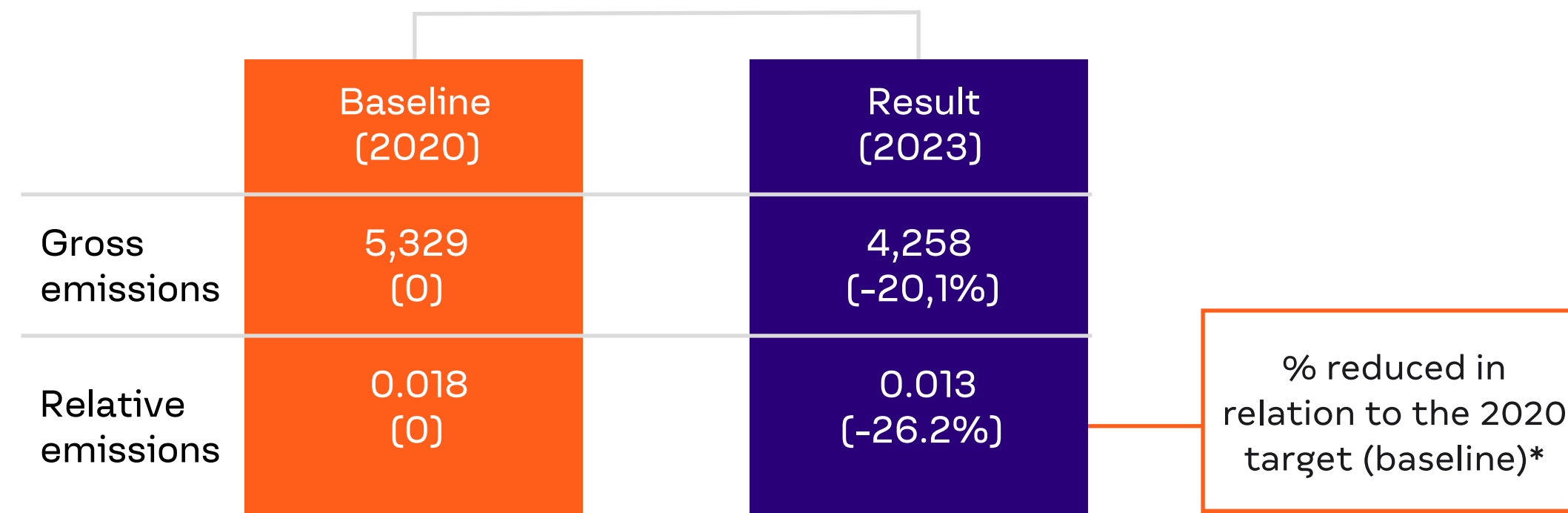
*Reduction in emissions and emission intensity compared to the 2020 baseline (gases included in the calculation: $CH_4$, $CO_2$, HFCs, $N_2O$; Methodologies used: GHG Protocol Corporate Accounting and Reporting Standard ISO 14064-1).

The main actions that contributed to the reduction of our emissions in scope 1 were the replacement of the old boiler, electrification of the forklift fleet, acquisition of clean energy, and improvements in work routines.

**Target approved by the Board in 2023**

Relative emissions (t $CO_2$ eq/m$_3$) ≤ 0.014 (≤ −11.9%)
Gross emissions (t CO2 eq): ≤ 3,795 (≤ −10.1%)

# Target 2030

**Reduce GHG emissions by**

# 43%

**by 2030**, baseline year 2020. This goal of reducing GHG emissions is within the criteria that make up the executive bonus.

In order for us to achieve the above goal, we have defined the following short-term objectives for 2024:
- Expansion of the electric forklift fleet to 80%;
- Start of the movement to replace 100% of natural gas with biomethane to supply energy to the boilers at the Duque de Caxias plant

In addition to the target established for scopes 1 and 2, we will begin measuring scope 3 under the upstream category: waste generated in the operation, business trips, employee commuting (home-work-home).

# Energy

**[GRI 302-1]**

At ICONIC, energy consumption is related to the electricity purchased and the use of fuel in equipment such as: boilers, electricity generators, and cooling systems. Our energy consumption is still anchored in non-renewable sources, as shown in the table below.

However, we understand the importance of expanding the use of clean and renewable energy sources throughout our production chain. Therefore, in addition to only purchasing electricity from renewable sources since 2021 in our manufacturing units, we are focused on finding solutions that increase the use of clean energy in the manufacturing and distribution processes of our products.

In addition to pursuing solutions to increase the use of energy from renewable sources in our operations, we mapped opportunities to optimize consumption. We use an IOT sensor system in motors, pumps and gear motors that monitors the speed and acceleration of equipment vibration. Last year, this mechanism allowed us to reduce energy consumption by 5%, as well as ensuring greater safety in operation, increasing the reliability of equipment to the point of preventing breakdowns and ruptures that could cause spills. As complementary initiatives, since 2021, we have adopted practices to increase the efficiency of our use of electricity, such as the installation of LED lamps in our units, campaigns to raise awareness about the use of electricity without waste, and the installation of presence sensors.

## Energy consumption by source (unit of measurement: GJ)

**[GRI 302-1]**

| | |
|---|---|
| Fuels from non-renewable sources<br>Generator diesel consumption<br>Gasoline consumption (brush cutter)<br>LPG consumption (forklift)<br>Natural gas consumption (boiler) | 58,699.0 |
| Fuels from renewable sources | 1.4 |
| Energy consumption (Electricity) – free market | 29,105.4 |
| Energy consumption (Electricity) – Captive energy | 27.0 |
| Heating | 51,439.0 |
| Total energy consumption | 139,271.8 |

*Energy consumption calculated based on usage records in energy bills. Conversion factors used: National Energy Balance - Ministry of Mines and Energy.
ICONIC does not have surplus energy sold or self-generated.

# Climate adaptation, resilience, and transition

**[GRI 3-3, 201-2, 305-5]**

We understand that climate change involves a series of financial implications, risks and opportunities that affect society, but also our business.

One of them is an increase in the frequency and intensity of natural disasters (hurricanes, wildfires, floods) that can cause damage to the Company's people, properties and infrastructure.

Furthermore, important changes in legal requirements to reduce carbon emissions directly affect our business, either by increasing operating costs to ensure compliance or by the pressure to quickly develop new products and markets that are not dependent on fossil energy sources.

The Ultra Group has a Corporate Risk Management Policy that was updated in 2021 by the Board of Directors. ICONIC began to have its risks assessed separately from Ipiranga in 2023. This policy establishes the main aspects that must be monitored and mitigation instruments, as well as the roles and responsibilities of those involved considering the following risk families: Strategic and Sustainability, Operational, Financial and Capital Market, Integrity and Cyber Risks.

We face the challenge of evolving management on this topic, from a specific perspective on the operation at ICONIC, ensuring monitoring and predictive analysis of possible financial impacts arising from climate change and demands from governments, consumers and markets to coping with these impacts.

# Socio-economic development

## Local communities

[GRI 3-3, 413-1, 413-2]

We understand that companies have responsibilities for social transformation through the development of their employees and the communities impacted by their operations. Therefore, our strategy for the topic of responsibility towards local communities is linked to development grounded in education. In line with this vision, we invest in projects associated with incentive laws that boost literature, art and well-being. Furthermore, our volunteering program is linked to mentoring for young people who will begin their professional careers.

In 2022, we began to mature the topic of responsibility towards communities by creating a working group within the Sustainability Committee. That same year, assistance actions were carried out with the support of NGOs in the vicinity of our operations. And, in 2023, we took significant steps, developing the social investment fronts and the volunteer program.

### Incentive to social projects, campaigns and volunteer work

In 2023, three sociocultural projects were implemented that we supported through incentive laws. Still in 2023, we also invested BRL 2,472,100.42 in 13 other incentive projects to be carried out in 2024, with BRL 1,559,929.04 allocated from federal laws and BRL 867,171.38 based on São Paulo state laws. Aligned with ICONIC's Private Social Investment Guideline, we prioritize our social investments in educational projects in the RJ-SP axis and in cities in the states of Minas Gerais and Pará, contributing to impact local communities served by projects from major ICONIC clients. In all, around 25,400 people will benefit from the socio-environmental projects we support between 2023 and 2024.

## Projects developed in 2023:

### World of Reading

Held in Itabira (MG) in partnership with the Municipal Department of Education, we support the comprehensive training of young people and teachers through the donation of trunks containing collections of children's books aligned with the Sustainable Development Goals (SDGs), reading circles, and training for pedagogical teams. The project reached more than 1,800 people, including education professionals and students from the schools involved.

### Art and Robotics Station

Project carried out in a municipal school in Ouro Preto (MG) that aims to democratize access to technological and artistic languages for children and young people who live or study in regions far from large centers. More than 100 young people benefited, and the workshops held included robotic constructions with accessible materials and dance language with a focus on popular culture.

### Sustainable Eve

We supported the latest edition of this educational and cultural event that took place in the City of São Paulo and featured several sustainability actions spread across the city and ESG discussion forums.

In addition to incentive projects, we run donation campaigns among our employees for items such as school supplies, toys and clothing directed to the communities surrounding our operations.

We seek to increase the participation and engagement of our employees in voluntary actions aligned with the Company's strategy and organizational values, reinforcing our commitment as a sustainable and socially responsible institution, promoting a culture of social responsibility and contributing to the sustainable development of the surrounding communities. Therefore, in 2023, we began our volunteering journey with Junior Achievement in a more structured way. With this partnership, we provided mentoring to 76 high school students from the State Public Education Network.

For 2024, support for new projects is planned, such as the "Tem Menina no Circuito" (https://temmeninanocircuito. wordpress.com/), which arose from the identification of a lack of female presence in the field of exact sciences in Brazil. Led by two Physics professors from the State University of Rio de Janeiro (UFRJ), the project has been running since 2014 in state schools, offering weekly workshops that integrate subjects such as mathematics and physics with the creation of crafts projects, using playful and innovative approaches to developing knowledge in the area of Exact Sciences.

## Responsibility towards the communities surrounding our operations

We aim to minimize the risks and potential negative effects that our activities may have on the communities living in the regions where we operate.

Therefore, we carry out a comprehensive environmental monitoring of our operations focusing on the geo-environmental assessment of our soils, subsoils and underground bodies of water to monitor pollutants arising from our activities, in addition to complying with all operating license conditions.

In the base oil sector, reception and distribution operations involve the transit of trucks at our São Cristóvão terminal, especially tank trucks that distribute base oil unloaded from ships. With a rise in sales volumes, the flow of trucks circulating in a residential area also tends to increase, which generates impacts such as noise and risk of accidents and collisions.

We measure these impacts based on the number of complaints and reports that reach our units. In the São Cristóvão operation, we carried out a diagnosis and a plan to mitigate impacts related to the manufacture of grease in 2021, when an odor was reported by residents in the surrounding area. In Osasco, reports regarding noise and odor led to more frequent maintenance to manage these impacts.

We act case by case, transparently and providing feedback as quickly as possible, aiming to mitigate the impacts identified. In the coming years, we plan to carry out a diagnosis of the communities located around our units in order to broaden the dialogue and consolidate actions to improve the management of impacts. We also have plans to encourage interactions with communities surrounding the distributors, beyond the reach of our own units.

# Economic impact

**[GRI 3-3, 202-2, 203-1, 203-2]**

ICONIC, as a Brazilian leader in the lubricants sector, contributes to the social and economic development of the locations where it operates. Creating jobs, paying taxes, volunteering and supporting infrastructure projects are the means we adopt to generate direct and indirect economic impacts.

**We invest in infrastructure works that contribute to the economic development of the region, such as the rock blasting work in Guanabara Bay in the city of Rio de Janeiro, which began in 2023 and required investments of BRL 15 million. The main objective of this work is to increase the draft limit of the port of Rio de Janeiro by 50% (rock blasting project), which benefits all companies operating in the port and generates a positive impact for port authority CDRJ (Companhia Docas do Rio de Janeiro), allowing it to harbor larger ships in 2024, instead of vessels constrained by the navigable draft limit of the section.**

We consider the State of Rio de Janeiro as local range, as it is where ICONIC's main operating units are located, namely our headquarters in Barra da Tijuca and our plant in Duque de Caxias (RJ). ICONIC board members, who are employees in executive positions, are also based in Rio de Janeiro.

# People management, diversity and inclusion

## Diversity and inclusion

[GRI 3-3, 2-7, 405-1, 405-2]

Led by our human resources team, the topic of diversity and inclusion occupies a prominent place in our sustainability strategy, with initiatives that seek to make ICONIC an increasingly inclusive company, promoting opportunities for all groups.

In 2021, we performed a Diversity Census with the participation of 95% of our employees and which provided a snapshot of the Company. Based on the analysis of this census, we built our diversity goal, focusing on women and black and brown people, promoting intersectionality whenever possible.

Since then, ICONIC has been building consistent work towards a culture of diversity. One example is our Start internship program. In its 4th edition, in 2023, the program was aligned with our public commitment to diversity and inclusion, with 90% of job vacancies filled by women and black and brown people.

Strengthening the work of our organizational culture oriented towards diversity and inclusion, also in 2023, we began a literacy journey through the ICONIC Academy offering the "Unconscious Biases" course. The training seeks to discuss the prejudices embedded in everyday life that are based on stereotypes of gender, race, class, sexual orientation and age.

Complementing the consistency of our diversity culture work, two affinity groups were created in 2023 formed by employees with gender and racial backgrounds – Feminine Energy and Blackitudes, which led the implementation of a variety of actions based on an annual calendar.

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**Diversity target for 2030:**

**50%** of women in leadership positions (32% at the end of 2023)

**48%** of women at ICONIC (27% at the end of 2023)

**30%** of black and brown individuals in leadership positions (13% at the end of 2023)

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**Internal actions calendar – 2023**

| | |
|---|---|
| **May** (in reference to Mother's Day) | Round-table discussion with a female leader from the Ultra Group board about women in the job market. The meeting discussed topics such as psychological violence, women's double and triple journey, and more. |
| **June** (in reference to LGBTQIA+ pride month) | Digital bulletin board campaign promoted by the Blackitudes Affinity Group with a quiz on the topic of LGBTQIA+ and race, rooted in an approach to the concept of intersectionality. |
| **July** (in reference to Latin-Caribbean Women's Day) | Quiz on the topic of structural racism in our internal social network. |
| **August** (in reference to Lilac August, awareness month to end violence against women) | Lecture on the topic of domestic violence. |
| **November** (in reference to the black awareness month) | Live streaming with the theme – "Where does the idea of race come from?". |

# Diversity of our team
[GRI 2-7, 405-1]

## Employees by gender and ethnicity – 2023
[GRI 2-7]

| | Yellow | | White | | Indigenous | | Brown | | Black | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female |
| Operational | 1 | – | 76 | 1 | – | – | 76 | 7 | 28 | – |
| Administrative | 1 | 2 | 123 | 77 | – | – | 44 | 27 | 24 | 8 |
| Coordination | – | – | 8 | 5 | – | – | 1 | 2 | 1 | – |
| First-line management | 1 | – | 13 | 8 | – | – | 3 | 1 | – | – |
| Top management | – | – | 4 | 1 | – | – | – | – | – | – |
| Chairperson | – | – | 1 | – | – | – | – | – | – | – |
| Governance body | – | – | 3 | 2 | – | – | – | – | – | – |
| TOTAL | 3 | 2 | 228 | 94 | – | – | 124 | 37 | 53 | 8 |

Based on the total number of active employees (hired under the CLT and full-time regime) and the members of the Board of Directors as of December 31, 2023.

## Percentage of individuals in the organization's governance bodies by gender and age range – 2023
[GRI 405-1]



Female 40.0%    Male 60.0%

50+ years old 100,0%

## New employee rate by gender and age range – 2023
[GRI 405-1]

Male 15.8%

Female 22.3%

< 30 years old 48.4%

30 to 50 years old 12.4%

50+ years old 1.6%

40

## Pay equity* – 2023
[GRI 405-2]

| | Average base salary | Average remuneration |
|---|---|---|
| | Gender pay gap rate | Gender pay gap rate |
| Operational | 76.2% | 71.5% |
| Administrative | 87.6% | 86.1% |
| Coordination | 105.5% | 105.5% |
| First-line management | 93.9% | 93.9% |

**Gender gap in base salary and remuneration.

As part of our non-discrimination policy, all board members of our main operational units are from Rio de Janeiro, with directors being understood as all executive positions in areas of the Company; territorial scope referring to the State of Rio de Janeiro; and our main operational units referring to our headquarters in Barra da Tijuca and the Duque de Caxias plant.

In addition to promoting a culture of diversity, ICONIC monitors discrimination complaints in its operations. There were no cases recorded during the reporting period.

# Employment practices: training, job creation and income generation

[GRI 3-3, 2-30, 401-1, 401-2, 401-3, 404-1, 404-2, 414-1, 414-2]

In 2020, we defined ICONIC's competency framework, previously anchored in competencies acknowledged by Ipiranga. According to a method that included the participation of employee representatives, our competencies mirror our strategic objectives, our culture and our values.

Three specific sets of competencies were defined according to positions and activity profiles.

| Leadership | Professional | Operational |
|---|---|---|
| • Strategic vision | • Strategic vision | • Operational excellence |
| • Focus on results | • Focus on results | • Focus on results |
| • Customer orientation | • Customer orientation | • Customer orientation |
| • Transformational leadership | • Transformational attitude | • Transformational attitude |
| • Innovation | • Innovation | • Innovation |
| • Relations | • Relations | • Relations |

41

During 2021, we engaged our efforts to strengthen these competencies. Throughout 2022, we gained traction in establishing them within the Company so that, in 2023, we could turn our attention to strengthening our leadership.

At the end of 2021, we conducted in-depth studies to adapt remunerations, which were not competitive compared to the market, in addition to an evaluation of all positions in the Company. Since then, market research has been carried out every two years with companies of the same size in the same or similar segments to verify our competitiveness. The research is conducted by a consulting firm, responsible for collecting data such as positions, salaries and benefits, indicating the average salary for each professional level within the evaluated market and positioning ICONIC for each career/salary level analyzed.

Since 2022, we perform organizational mood surveys with our employees, seeking to understand not only their relationship with the Company, but also an assessment of the performance of our own team of employees. Based on a questionnaire, coordinators, managers and directors are evaluated by their leaders, followers, peers and others, in an assessment called 360° feedback. In the case of supervisors, specialists, analysts, assistants/auxiliaries and other professionals, the evaluation follows the 180° feedback, and is carried out by their leaders, peers and other team members. The questionnaire has questions that must be answered based on the work experiences developed with the employee under evaluation within the proposed period and not based on perceptions, feelings, affinities, or a past period. On the other hand, the questionnaire stipulates that it is the responsibility of the person being evaluated to self-evaluate and choose co-workers to evaluate them.

The survey allows identifying levels of suitability and readiness, in addition to the potential that the evaluated professional has to take on future challenges. Furthermore, with a more detailed view of the Company's human resources, it is possible to draw up more strategic planning for the Company's future in terms of positioning its employees and refining the design of our organizational culture. Over time, the Technology Department was the one that showed the biggest rise in employee adherence, corresponding to a 6.8% increase.

In the 2023 mood survey, we observed the best score for the Ambassadorism dimension, linked to ICONIC's social responsibility, built on our sustainability strategy - Sustainable Future - and the Company's image. Our commitment to reducing GHG emissions was the point of compass for the prominence achieved by the topics of social and environmental responsibility within the Ambassadorism block. The beginning of investments in social projects also helped to leverage this dimension.

The dimensions of well-being and justice received the worst scores. In the first, stress and carrying out activities outside of working hours are mentioned as negative points. In the latter, there is an understanding that ICONIC does not reward and recognize its employees fairly and adequately.

With the lessons learned in 2023, we were able to consolidate the design of our organizational culture and set its implementation in 2024 as a goal.

At ICONIC, we understand the professional development of our employees as a fundamental pillar for improving our results and generating positive social and economic impact.

Therefore, in 2021, we created the ICONIC Academy. A learning and development platform that reflects our identity and constantly expands the range of training opportunities.

Also as part of our work in corporate training, we launched our Leadership School in 2023. Operating in a hybrid model (in-person and online), the initiative was created to address the main topics and concepts about leadership.

# Employee training
**[GRI 404-1]**

We encourage the continued learning and development of 100% of our employees through education and training programs, which are offered by the ICONIC Academy. Throughout 2023, each employee invested 8.5 hours of training, on average.

## Average hours of training per year, by gender – 2023
**[GRI 404-1]**

| | Total hours | Total number of employees | Average hours |
|---|---|---|---|
| Female | 1,030 | 139 | 7.4 |
| Male | 3,586 | 405 | 8.9 |
| Total | 4,616 | 544 | 8.5 |

## Average hours of training per year, by position – 2023
**[GRI 404-1]**

| | Total hours | Total number of employees | Average hours |
|---|---|---|---|
| Operational | 1,189 | 189 | 6.3 |
| Administrative | 3,200 | 306 | 10.5 |
| Coordination | 180 | 17 | 10.6 |
| First-line management | 38 | 26 | 1.5 |
| Top management | - | 5 | - |
| Chairperson | 9 | 1 | 9.0 |
| Governance body | - | - | - |
| TOTAL | 4,616 | 544 | 7.6 |

We are proud of the development of our employees and of being part of the Inova Talentos Program at Instituto Euvaldo Lodi (IEL), which promotes academic research and motivates young university students to develop innovation projects on topics selected by companies, in addition to supporting students by granting scholarships.

**Advancing in our improvements to employment practices, we are proud to be a "Citizen Company" since 2022, extending maternity leave to 180 days and paternity leave to 20 days, including for same-sex couples.**

The table below shows the total number of employees who went on maternity and paternity leave in 2023 and the percentage of those who returned to work after the leave and still remain with the Company.

## Maternity and paternity leave – 2023
**[GRI 401-3]**

| | Female | Male |
|---|---|---|
| Entitled to take leave* | 1 | 2 |
| Took leave | 9 | 26 |
| Returned to work after the end of the leave** | 7 | 28 |
| Should return to work at the end of the leave | 7 | 28 |
| Return to Work (RTW) rate after the end of the leave | 100.0% | 100.0% |
| Returned to work after the end of maternity/paternity leave and continued to be employed 12 months after returning to work | 2 | 20 |
| Employee retention rate*** | 100.0% | 95.0% |

*In 2023, 3 employees, 2 men and 1 woman, went on paternity and maternity leave, respectively. They applied for the benefit in 2023, but will actually take their leaves in 2024.

**In 2023, 28 employees returned to work after the end of their leave, 2 of which left in 2022 and returned in 2023. In the case of women, the 7 employees who were scheduled to return in 2023 have already done so, and 2 had not yet returned from leave by December 2023 (reporting year), which they will do in 2024 when their leave period ends.

***The retention rate is 100% for female employees, as they all returned from maternity leave in 2022 and remained employed for 12 months after their return (reporting year). In the case of male employees, the retention rate is 95%, as 1 of them who returned from paternity leave was laid off 11 months after returning.

ICONIC offers a benefits package, detailed in the table below, intended only for our employees hired on a full-time CLT (framework of the Brazilian Consolidation of Labor Laws) basis.

- Transportation vouchers
- Food offered at the workplace or as a meal voucher, depending on the operating unit
- Bonus pay for length of service
- Private pension
- Medical and dental assistance
- Corporate benefit for health and well-being
- Emotional health and nutritional guidance platform
- Decennial bonus (1 salary for every 10 years of service)

- Daycare or companion assistance
- Early payment of Christmas bonuses
- Funeral aid and assistance
- Life insurance
- Maternity and paternity leave (including LGBTQIAPN+ couples)
- Sickness and accident benefit
- Employee discount and cash back club with discounts for education services, leisure, food, culture, and more.

Our constant search for improvement in our employment practices also aims to reduce our employee turnover rate, as shown in the table below. Furthermore, in 2023, there was a fluctuation (in this case, a 10%-12% reduction in the Company's staff) due to the carrying out of an internal organizational redesign project.

## New employee hires and employee turnover – 2023
**[GRI 401-1]**

|  | New hires | New hires rate | Lay offs | Turnover rate |
|---|---|---|---|---|
| Female | 31 | 22.3% | 116 | 13.5% |
| Male | 64 | 15.8% | 49 | 10.4% |
| < 30 years old | 46 | 48.4% | 24 | 6.4% |
| 30 to 50 years old | 48 | 12.4% | 107 | 14.3% |
| Older than 50 years | 1 | 1.6% | 34 | 3.2% |
| Midwest | – | – | 2 | 0.2% |
| Northeast | – | – | 1 | 0.1% |
| South | – | – | 4 | 0.4% |
| North | 2 | 40.0% | 1 | 0.3% |
| Southeast | 93 | 17.8% | 157 | 23.0% |

*Explanation of these percentages on page 58 (Relevant topic).

At ICONIC, we strongly condemn the practices of human trafficking and forced or compulsory labor, which is why we have adopted preventive measures to avoid this risk in our supply chain, including internal document, reputational and restrictive list checking processes.

The hiring of new suppliers at ICONIC is subject to a rigorous reputational assessment process.

Furthermore, we have a program aimed at relationships with our already approved suppliers (Mais Program) and, within its scope, we apply an annual questionnaire that has a specific section related to their work management, human rights and social responsibility. Occasionally, we carry out on-site audits.

In 2023, no suppliers were identified with a significant risk of child labor, young people exposed to dangerous work, forced or compulsory labor.

# Freedom of association and collective bargaining

**[GRI 3-3, 407-1]**

At ICONIC, the right to freedom of association and collective bargaining is guaranteed and this commitment is required from all suppliers at the time of contracting. In 2023, no type of violation of the labor rights of ICONIC workers and its suppliers was reported.
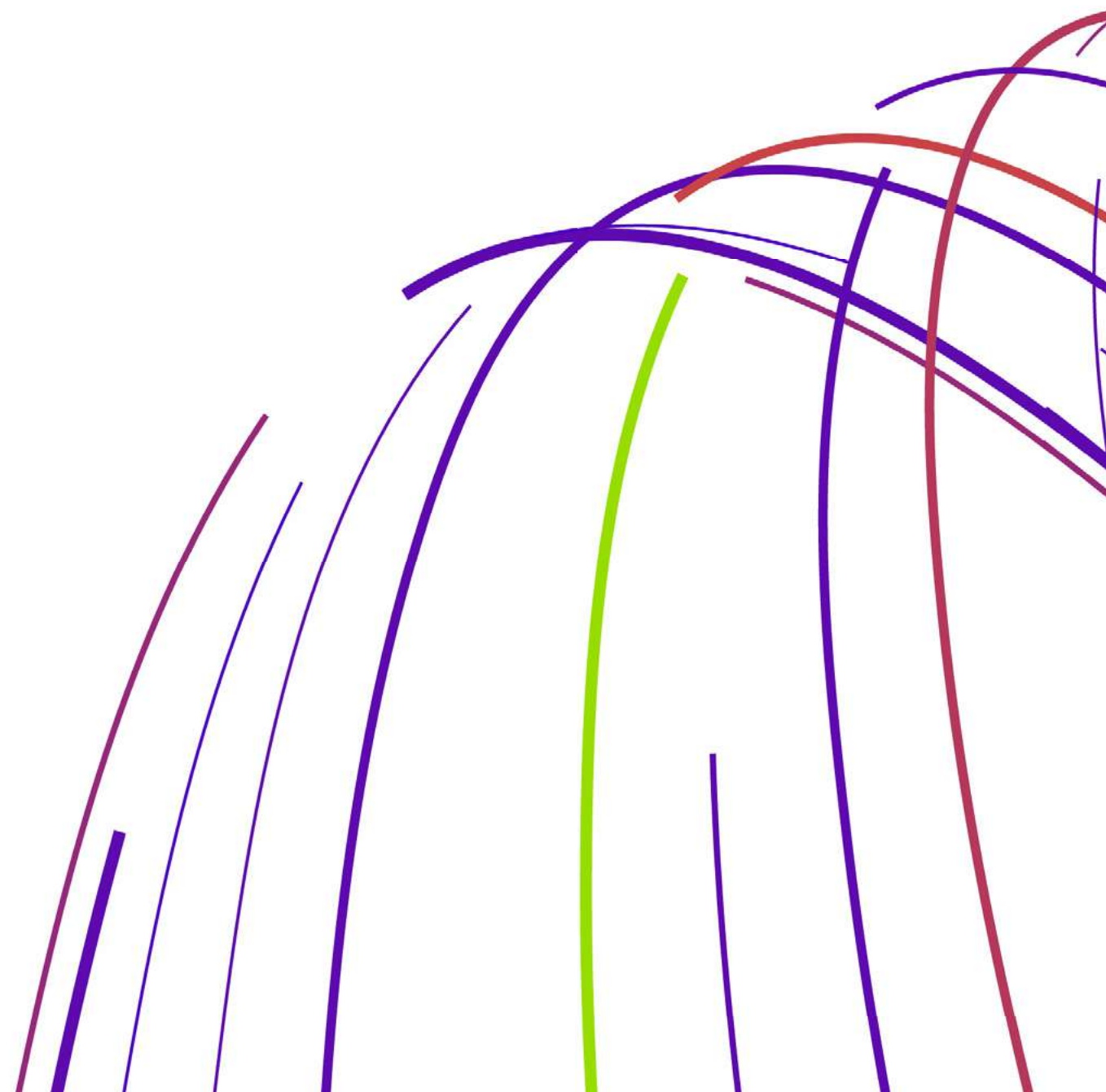
# Health, safety and well-being

## Occupational health and safety

[GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10]

One of the most important pillars for ICONIC is our commitment to the health, safety and well-being of our employees, outsourced workers, and service providers. Therefore, we developed a Program called "Viver - All together for our well-being" aimed at promoting safety in a broad way in our Company, including both the physical integrity of all individuals who work at ICONIC facilities and the management of risks related to the environmental impact of our operations, including loss of containment (LOC) and product spills.

## Expectations addressed by the Viver Program

### 1) Behavior

Raise awareness at all levels of their roles and responsibilities to achieve compliance with health, safety and environmental requirements.

### 2) Risks and impacts

Identify dangers and risks to preserve the integrity of people, minimize environment and property damage and consequent business interruption.

### 3) Changes

Manage changes in facilities, operations, products, processes and workforce and consequent impacts on the business.

### 4) Hired labor

Promote healthy working conditions and environmental responsibility for service providers.

### 5) Loss analysis

Analyze incidents to identify root causes to prevent recurrences.

### 6) Product life cycle

Prevent environmental impacts and risks to health, safety and the environment during a product's life cycle.

### 7) Compliance

Comply with the law, principles, guidelines and policies. Act ethically and participate in emerging issues related to laws and regulations.

46

# Our "Golden Rules"

**1.** I ALWAYS perform a loss prevention self-assessment

**2.** I am ALWAYS allowed to stop unsafe work

**3.** I ALWAYS check and use safety devices in all my activities at heights

**4.** I ALWAYS assess risks before making changes to processes, facilities and products

**5.** I ALWAYS request permission for non-routine and high-risk work

**6.** I ALWAYS use my personal protective equipment (PPE)

**7.** I ALWAYS identify the need for lockdown and isolation measures

**8.** I NEVER perform my work under the influence of alcohol or drugs

**9.** I NEVER remove protection from machines and equipment

**10.** I NEVER use a cell phone while driving, operating equipment or in operational areas

The security guidelines of the Viver Program include the "Golden Rules of Security", which constitute an important management tool so that our leaders can act on a daily basis as educators with their teams, based on a policy of clearly defined consequences, recognizing safe behaviors and using an educational approach when faced with unsafe behaviors. In this way, we establish and reinforce the standards of behavior to be followed by all employees and outsourced workers who are part of our operation.

One of our ten "Golden Rules" concerns the Stop Work Authority (SWA), which is a worker's right to stop work if an unsafe condition is identified during their activities or the activities of a co-worker. Note that all workers have the authority to stop work, regardless of their position.

We work with an integrated process optimization system, the "SE Suite", to monitor any security deviations and follow-up on incidents. To investigate these occurrences, a multidisciplinary investigation team is formed and, depending on the level of severity, an evaluator of the effectiveness of the actions is added. An action plan is then prepared, and its implementation is monitored weekly by the HSE (Health, Safety and Environment) team, whose technical staff is made up of Safety Technicians, Safety Engineers and Environmental Engineers. This team is also responsible for reporting the monitoring and results of the action plan to the Company's senior management.

Once the incident is concluded and closed, we consolidate the experience as a lesson learned and share this lesson and the opportunities for improvement gathered during the investigation with all teams, across all of our units. The "SE Suite" system also has a coverage option in which actions are replicated (when applicable) to all of our units.

We also act preventively through the "Loss Prevention Verification" (LPV) procedure and an assessment of work in progress, helping to improve the standardization and optimization of processes and encouraging the exchange of experiences among employees. We also promote periodic ICPAH (Internal Committee for Prevention of Accidents and Harassment) meetings with the presence of our employees, in which health and safety issues at the units are addressed.

**Additionally, the safety bonus, which impacts employee variable remuneration based on a collective target, helps to encourage and ensure that all employees are truly committed to safety on a daily basis.**

Our occupational health and safety management system was developed to encompass all legal standards and requirements applicable to ICONIC's business and the safety of our employees, especially the NR-1 standard, which provides for general work safety requirements and occupational risk management, the NR-7, which provides for the occupational health medical control program, the NR-9, which deals with the assessment and control of occupational exposures to physical agents, and the NR-15, which sets tolerance limits and action levels for various physical and chemical agents.

Certified by ISO 45001, our occupational health and safety management system is supported by software that identifies and monitors standards, laws and legal requirements relevant to our business, facilitating the change, modification and adaptation of processes in the event of a change in any legal requirement. This system also performs a risk inventory as a part of the Risk Management Program (RMP), with risk classification, control actions, and periodic updating based on the Company's activities. Risk analyzes and dangerousness assessments of the operation are prepared by the RMP based on Hazard Reports.

We have a well-defined Training Matrix, and our training varies depending on the positions and responsibilities of each employee.

This matrix specifies training hours and deadlines, with theoretical and/or practical tests to evaluate effectiveness depending on the type of training delivered. Among the main topics covered, the following stand out: Security integration for all Company employees and third parties; Defensive driving; Loss Prevention Verification Training; Training in the development of work loss analyzes; Accident investigation training; Work permits, LOTO *(Lock Out Tag Out)*; Emergency plan, Simulations, Change management and other specific training related to employees' activities, such as operating lifting platforms and multi-gas detectors, addressing hazards and risks for each role, as well as regulatory training. In order to constantly reinforce our best operational practices, we hold our Daily Excellence Discussions (DED).

To monitor the health of our employees, we have an Occupational Health Medical Control Program (Brazilian PCMSO NR-07). We have a dedicated healthcare professional every day at the Company and a physician hired to meet legal requirements. An ergonomic analysis of work is carried out to identify risks related to employees' activities, which are monitored through periodic examinations as provided for by standard NR-07, in accordance with the RMP and the PCMSO. All medical documentation is filed with the competent area and treated under medical confidentiality.

We also offer a psychological support channel for the mental health of our employees. Additionally, we carry out first aid training and internal health and well-being campaigns targeting issues such as dengue fever, high blood pressure, diabetes, alcoholism, tobacco smoking, suicide prevention (Yellow September), breast cancer prevention (Pink October) and prostate cancer prevention (Blue November). As an additional incentive for healthy practices, we encourage our employees to participate in street running competitions. We sponsored three running competition events in 2023 via incentive laws, with 280 registration kits distributed to our employees.

We have agreements with unions on health and safety issues, such as guaranteeing employment due to work accidents and occupational illnesses, guidelines for breastfeeding, leave for prenatal exams, provisions on the ICPAH committee, determinations on the acceptance of medical and dental certificates and measures for functional adaptation of employees whose work capacity is reduced due to an accident at work.

All employees and outsourced workers who work within our facilities are included in our occupational health and safety management system, which is not the case with third parties who work outside our units. However, we monitor and support the main occupational health and hygiene programs of service providers. Our employees have a health plan offered by ICONIC. The health plan for outsourced workers who work in our operations is provided by the company that hires them.

We recently formed a process safety committee focused on our most critical operations. As this is a preliminary initiative, we are in the process of preparing the strategic plan for implementing the Safety Process. One of the first actions was to provide training on Process Safety Management (PSM) for senior and middle management positions.

ICONIC employees actively participate in our occupational health and safety management system, sharing their perceptions to prepare work environment risk maps and identify unsafe conditions in the Loss Prevention Verification. They also participate in the ICPAH committee, in the opening of deviations in the incident system, and in the "Com +Excelência" Program, which is a project that gives visibility to improvements in operational processes proposed by employees.

We believe in the importance of improving our safety culture not only internally, but also with our partners. Therefore, in 2022, we launched the On the Safety Route program, with the aim of continually reducing road accident rates. In addition to carrying out external audits on the carriers we hire, we promote monthly interface moments with logistics operators and partner drivers to reinforce health and safety practices in traffic. Additionally, we provide online road safety courses on the project platform to train transport companies, drivers and employees. Once a year, we hold a meeting with partner carriers to discuss advances and future challenges on the topic. Currently, ICONIC works with 35 carriers located throughout Brazil. One of the objectives set for our program in 2024 is to reduce the Company's road accident rate by 50% compared to 2023.

> **In 2023, the On the Safety Route Program received an award from the Brazilian Traffic Department SENATRAN**

Through the "Mais" Program, which seeks to evaluate and develop our partners in order to promote continuous improvement throughout ICONIC's supply chain, we also consider the prevention and mitigation of health and safety impacts on suppliers. In association with this initiative, we are developing an operational excellence program for 2024 aimed at our logistics operators, including on-site audits to ensure that excellence and health criteria for these professionals are applied.

Our occupational health and safety management system covered 782 people in 2023, including employees and outsourced workers whose work and/or workplace is controlled by ICONIC. This system was audited internally and certified by a third party. All workers were included.

## Work-related accidents – 2023

**[GRI 403-9]**

| 2023 | Employees | Other workers |
|---|---|---|
| Total hours worked | 1,267,200 | 441,600 |
| Number of fatalities as a result of work-related accidents | - | - |
| Rate of fatalities as a result of work-related accidents | - | - |
| Accidents (either leading or not to leave of absence) | 1 | 1 |
| Accident frequency rate (AFR) | 0.8 | 2.3 |
| Number of high-consequence work-related injuries (excluding fatalities) | - | - |
| Rate of high-consequence work-related injuries | - | - |
| Number of recordable work-related injuries (excluding fatalities) | 1 | - |
| Rate of recordable work-related injuries | 0.8 | - |
| Lost days | - | - |
| Total number of high-potential work-related incidents | 12 | - |
| Total number of near-miss incidents | 538 | - |

Note: Rates were calculated based on 1,000,000 hours worked per year.

We had no employee absences due to occupational illnesses in 2023. Accidents with mandatory reporting include cutting, sharp edge and transit accidents. To eliminate risks that were identified through open deviations in the system, occurrences, hazard and risk survey and work loss analysis, we removed the equipment, eliminated the risks of cuts in the areas, and review our PPE (personal protective equipment).

# Asset integrity and process safety accident management

**[GRI 3-3, 306-3]**

Through the Viver Program, we adopt a very assertive approach to guarantee the integrity of assets, prevention and mitigation of process safety accidents, involving a responsibility shared by all our employees, safeguarding the limits and obligations of each hierarchical level.

Executive Officers are responsible for in-depth understanding of the risks involved in our operation, identifying and understanding requirements, as well as prioritizing solutions for possible gaps in processes, enabling resources, promoting the implementation of relevant action plans and ensuring compliance and effectiveness.

Managers and coordinators are responsible for communicating hazards, mitigating risks and qualifying subordinates, demonstrating support and commitment

to the Viver Program and promoting a culture of continuous improvement. Other employees, in addition to following the program's practices and procedures, are also responsible for reporting and investigating losses, recognizing dangers and unusual circumstances, as well as interrupting activities if there is a risk by exercising their Authority to Stop Work, as explained above.

Our infrastructure is supported by high-quality equipment such as gas meters, laboratory and process quality control equipment, lifelines, fire lines, machine bulkheads, pressure relief valves and level alarms. We also incorporate policies and procedural guidelines such as loss prevention self-assessments before starting all tasks, identifying all hazardous energy sources and periodically reviewing and updating procedures, combined with best practices and industry standards.

ICONIC also performs proactive management for the entire product life cycle, using effective communication and accurate identification of hazards and risks in Process Variability Control, chemical substance inventories, Chemical Product Safety Data Sheets, and Response Sheets from Security to Risk.

Additionally, we implement strict third-party waste management practices and environmental liability monitoring to minimize adverse environmental impacts and protect local communities and surrounding infrastructure. This 360° approach reflects our commitment to socio-environmental responsibility and sustainability in our operations.

There were leaks in 2023, but none of them were considered significant enough to be included in our financial statements.

# Innovative solutions

**[GRI 3-3]**

We understand that innovation and sustainability are inseparable topics. Therefore, we seek to guarantee a healthy, long-lasting and sustainable operation that necessarily involves investing in integrated solutions that make it possible to address economic, environmental and social challenges, especially for the oil and gas category.

## ICONIC technology and innovation structure

The first front is a management area dedicated to the Product Portfolio. The structure comprises specialists focused on each product line and a close interface with Chevron, which allows an up-to-date view of equipment and vehicle trends related to our strategic segments and their respective sustainability challenges. This integration makes it possible to design and launch new products capable of meeting new economic and environmental demands, such as biofuels, electrification and new fuel cells.

The second front is the Research and Development area, which materializes the project based on the design conceived by the New Products Management, fulfilling all the requirements for the development and production of new products.

A third front of the Technology Department is the Quality Control Management area. It is responsible for ensuring that both inputs and finished products are delivered correctly, following the specifications designed by the Research and Development area. Recently, this structure incorporated the packaging quality control area, which previously belonged to the operations department. The purpose of incorporating this area into the technology department is to expand its activities towards the development of new packaging that contribute to facing our decarbonization challenges, such as increasing the amount of post-consumer resin and replacing plastic in packaging.

The last major front of the technology department is the Technical Services area, which works specifically in after-sales. The focus of this structure is to analyze the lubricant being used in customer equipment. The LubeWatch® program, developed to provide maintenance engineers with an accurate diagnosis of the oil used in equipment, detailing the performance of the lubricant and identifying possible contaminants, supports product performance tests, guiding customers towards more efficient use of each oil and carefully specifying oil and lubricant replacement intervals. The compilation of information collected in the analysis carried out by the program feeds a benefits calculator, which demonstrates to customers how the correct application of the guidelines suggested from the data collected yields numerous financial and environmental advantages. Using products efficiently reduces fuel consumption, increases the product's life cycle, reduces early disposal and, consequently, the generation of waste, in addition to contributing to the reduction of greenhouse gas emissions. The information derived from the diagnoses made by this area also feeds back to the Product Portfolio and Research and Development fronts, generating a relevant database for creating more efficient and sustainable solutions.

# ICONIC Technology Center

In addition to the Technology Department as a powerful resource for the development of integrated and innovative solutions, ICONIC also has two technological centers in the State of Rio de Janeiro, considered references in the lubricants market in Brazil. The activities of these technology centers range from the analysis and monitoring of used oil to the development of new products and technical services, following all national and international standards.

In August 2023, believing in the importance of technology and innovation for building more powerful and sustainable businesses and societies, we began a process of consolidating our two technology centers into a single hub, investing a total of BRL 7.5 million to have one of the largest private laboratories in Latin America by October 2024. The ICONIC Technology Center (CTIC) will promote integration with our technology teams, providing modernization, automation, process agility and greater safety and well-being for workers.

**Fostering innovation by training new talents**

The job market is still unable to meet the demand for specialized professionals for the development of innovation in oils and lubricants in Brazil and thus we play the role of a breeding ground for talent in research and development specific to this category. For us, efforts and investments in integrated and innovative solutions include training new professionals for this market. One of the initiatives that make up this action is the company's adherence to the Inova Talentos Program of the Instituto Euvaldo Lodi (IEL), which promotes academic research and motivates young university students to develop innovation projects on topics selected by companies, in addition to supporting students by granting scholarships.

We encourage the interface with academia as another initiative that contributes to the training of new professionals specialized in this area, increasing employability in the sector and positively impacting social and economic development in the production chain of the oils and lubricants category.

## Workshop of Ideas and Innovation Day

We believe that our consolidation as an innovative company capable of proposing integrated and disruptive solutions involves permeating the culture of innovation throughout the Company.

As part of the Sustainable Future program, we created the Workshop of Ideas, an internal project seeking to bring together employees from different areas to deliberate on innovative solutions for products, services and processes. The project culminates in the Pitch Day meeting, when Workshop of Ideas participants are invited to defend their proposals for the Company. The objective of this initiative is to validate the proof of concepts for each proposal involving the authors of the ideas and then forward them for development by the competent areas.

In its first edition, in 2022, the Workshop of Ideas had 275 ideas submitted, 3 of them leading to internal improvement projects. In 2023, we carried out the second cycle of the project, when 125 ideas were submitted. As in the previous edition, 3 ideas, which are still in the selection stage, will be subjected to proof of concept to validate their assumptions.

In addition to intrapreneurship, we encourage open innovation on our Innovation Day. Our first major Open Innovation event was held in 2023, from which five problems were taken to the market for startups to propose their solutions. We had 150 startups register for this call, pitching was made to sell the idea and implement POCs (proofs of concept), which will take place in 2024.

ICONIC has been consolidating and disseminating the culture of innovation inside and outside the Company, interacting with regulatory bodies, sectoral organizations and associations, and government research funding bodies. Our goal is to continue operating and investing in technology and innovation to expand markets, through the development of more sustainable products and processes, especially committed to the challenge of energy transition and capable of delivering prosperity to the Company, the entire sector, and society.

53

# Ethics and integrity

ICONIC has a structured Integrity Program that is oriented to anti-corruption best practices, prevention of anti-competitive conduct, mitigation of conflicts of interest and maintenance of an environment free from harassment and discrimination, with processes and controls that aim to increasingly strengthen the culture of integrity of the Company.

The initiatives of our Integrity Program are deployed in a multidisciplinary manner, involving the dissemination of clear principles and rules of conduct through guidance in various forms of training and communication, in addition to control, monitoring and response mechanisms.

In 2023, actions were promoted to disseminate the Integrity Program guidelines, such as round-table discussions with the operations teams. For 2024, our objective is to progress in acculturation to the value chain through training and communication, maintaining in-person training with topics designed for each audience.

Learn about ICONIC's Integrity Policies at: https://iconic.com.br/integridade

**Investigation**

Report data treatment and consequences

**Tone at the top**

Commitment and support from senior leadership

**Monitoring and auditing**

Mechanisms for evaluating and monitoring response plans

**Guidelines**

Policies and procedures

**Internal controls**

Control environment management

**Training and communication**

Guidance and dissemination of the culture of integrity

54

# Anti-competitive behavior
[GRI 3-3, 206-1]

As part of the ICONIC Integrity Program, we have the Competition Policy, in which the guidelines, behaviors and practices referenced by the organization to promote an ethical and healthy competitive environment are clearly communicated to our employees, suppliers and partners.

During the period covered by this report, no legal action was identified, whether pending or closed, involving ICONIC in unfair competition and/or violations of antitrust and antimonopoly laws.

# Anti-corruption
[GRI 3-3, 205-1, 205-2, 205-3]

The Corporate Anti-Corruption Policy and various communications on the subject are tools to manage risks related to corruption. In addition, employees undergo periodic training on the topic, anti-corruption clauses are inserted into contracts, and prior reputational checks are carried out for all new hires, including business partners, suppliers and service providers.

All operations were subject to corruption-related risk assessment.

During the period covered in this report, ICONIC did not record any confirmed cases of corruption. ICONIC analyzes all cases reported through the Ultra Open Channel, including those of suspected corruption. After investigating reports, action plans are adopted to address the identified points and mitigate the risks involved.

## Communication and training on anti-corruption practices – 2023

|  | Communications | Trained |
|---|---|---|
| Intern | – | – |
| Apprentice | – | – |
| Operational | 189 | 186 |
| Administrative | 306 | 301 |
| Coordination | 17 | 17 |
| First-line management | 26 | 26 |
| Top management | 5 | 5 |
| Chairperson | 1 | 1 |
| Board of Directors | – | – |
| TOTAL | 544 | 536 |

## Percentage of communication and training on anti-corruption practices – 2023

|  | Communications | Trained |
|---|---|---|
| Intern | – | – |
| Apprentice | – | – |
| Operational | 100.0% | 98.0% |
| Administrative | 100.0% | 98.0% |
| Coordination | 100.0% | 100.0% |
| First-line management | 100.0% | 100.0% |
| Top management | 100.0% | 100.0% |
| Chairperson | 100.0% | 100.0% |
| Board of Directors | – | – |

# Payments to governments

**[GRI 3-3, 201-4]**

ICONIC manages its practices related to payments to governments in an ethical and transparent manner, in accordance with the guidelines of the Code of Ethics and Anti-Corruption Policy.

In 2023, ICONIC had the benefits and tax incentives detailed below.

## Benefits/incentives – 2023

| Benefit/incentive | Value |
|---|---|
| Lei do Bem (Tax incentive for technological innovation) | R$1,365,163.10 |
| ICMS SP (State Tax on Commerce and Services) | R$867,171.40 |
| Programa de Alimentação do Trabalhador (PAT worker food program) | R$771,257.00 |
| Sports Incentive Law | R$355,241.00 |
| Rouanet Law - Culture Incentive Act | R$269,985.00 |
| FDI - Elderly Fund | R$182,620.00 |
| FDCA - Fund for the Rights of Children and Adolescents | R$182,620.00 |
| Maternity Leave | R$49,485.00 |

# Public policies

**[GRI 3-3, 415-1]**

ICONIC participates in meetings and initiatives of the ABD (Brazilian Downstream Association), IBP (Brazilian Petroleum, Gas and Biofuels Institute), AEA ( Brazilian Automotive Engineering Association) and the Sindicom (National Union of Fuel and Lubricant Distributing Companies), but we do not make political, financial or other contributions to these or any other associations or any representation committees linked to our sector.

We monitor topics linked to public policies covering tax and regulatory issues through our Risk Area, which is attentive to any changes in the country's Monetary and Fiscal Policy that may impact prices and the availability of products, as well as issues regarding the sector's regulation and the control of irregular markets.

# Forced labor and modern slavery

**(GRI 3-3, 409-1, 414-1)**

We, at ICONIC, strongly condemn the use of child labor, forced labor and modern slavery practices and, therefore, we have adopted preventive measures to avoid this risk in our supply chain.

In 2023, 300 new suppliers were evaluated and no potential risk of forced or slavery-like labor was found.

In addition to evaluating new suppliers, the Company annually assesses the labor practices of suppliers approved through the Mais Program. This program uses a questionnaire to rank the partners that present best practices in these dimensions, in addition to monitoring our suppliers regarding their attitudes in social, environmental and governance aspects. The result of the questionnaire applied in 2023 will be published in 2024.

In addition to the Mais Program, we carry out a risk analysis and on-site audits of our suppliers.

# Relevant topic
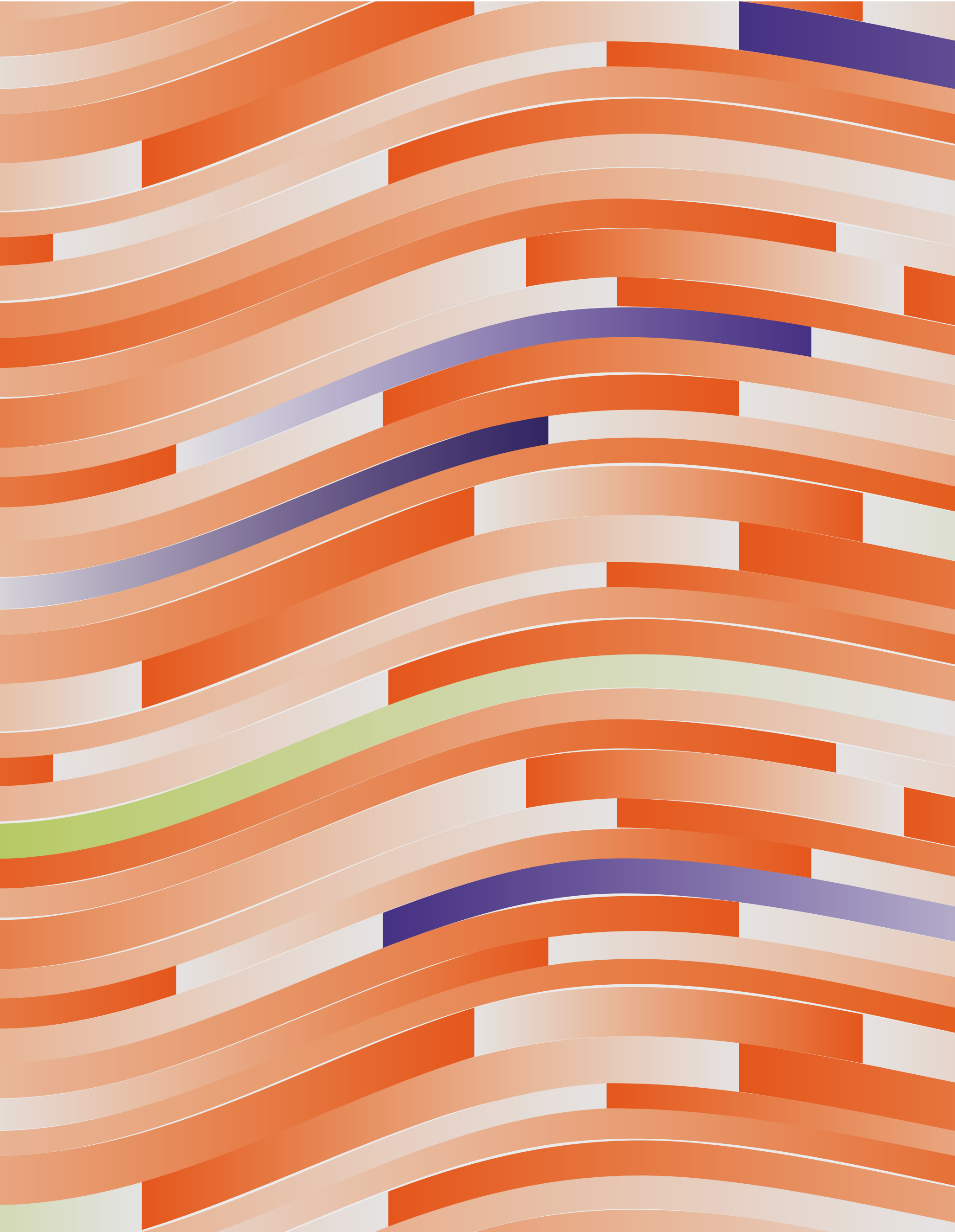
# Relevant topic

## Closure and rehabilitation

**[GRI 402-1, 404-2]**

In 2023, we developed the Pulsar Project, which aimed to improve the Company's operating efficiency. The project included reviewing the scope of the ICONIC Service Center and unifying the administrative sector at the headquarters, located in Rio de Janeiro. Structure, service model, activities, responsibilities, workplace and synergies were reviewed. As a result of this analysis, the Customer Service office, located in Campinas/SP, was closed in November 2023. The process of permanently closing the Service Center lasted around 15 weeks.

In the restructuring process, we developed a robust and transparent communication plan, with a direct channel with the employees involved and holding face-to-face meetings with those impacted. We guarantee a high internal reuse of professionals with good performance and the team was structured with the concept of diversity and inclusion in mind. We carry out face-to-face training, in addition to encouraging training at the ICONIC Academy and providing access to the Service Center for outsourced workers to develop talent and expand skills.

Of the 36 employees affected by the closure of the unit, 11 were directly absorbed by ICONIC and transferred to Rio de Janeiro. Professionals dismissed in the process were instructed and trained to enable professional reintegration into the job market through the Outplacement methodology. The actions included sharing profiles with other companies in the Ultra Group and contacting companies operating in the region of Campinas and São Paulo Metropolitan Area, to recommend professionals who were interested in the activities. Of the 22 employees interested in the program, 11 were relocated (2 at ICONIC itself, 3 at Ultra Group, and 6 at companies operating in the market). The result is reflected in the 50% rate of relocation into the job market.

# GRI Content Summary

| Statement of Use | ICONIC Lubrificantes complied with the requirements to report in accordance with the current GRI Norms and Standards for the period from 01/01/2023 to 12/31/2023 |
|---|---|
| GRI 1 used | GRI 1: Foundation 2021 |
| Applicable GRI Sector Standard | GRI 11: Oil and Gas Sector 2021 |

| GRI Standard | Contents | Location | Omission | | | GRI sectoral no. |
|---|---|---|---|---|---|---|
| | | | Requirement | Reason | Explanation | |
| GRI 2: General Disclosures 2021 | 2-1 Organizational details | p. 9-13 | | | | |
| | 2-2 Entities included in the organization's sustainability reporting | p. 3 | | | | |
| | 2-3 Reporting period, frequency and contact point | p. 3 | | | | |
| | 2-4 Restatements of information | p. 3 | | | | |
| | 2-5 External assurance | p. 3 | | | | |
| | 2-6 Activities, value chain and other business relationships | p. 9-13 | | | | |
| | 2-7 Employees | p. 14 | | | | |
| | 2-8 Workers who are not employees | p. 14 | | | | |
| | 2-9 Governance structure and composition | p. 17-18 | | | | |
| | 2-10 Nomination and selection of the highest governance body | p. 17-18 | | | | |
| | 2-11 Chair of the highest governance body | p. 17-18 | | | | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | p. 17-18 | | | | |
| | 2-13 Delegation of responsibility for managing impacts | p. 17-18 | | | | |
| | 2-14 Role of the highest governance body in sustainability reporting | p. 17-18 | | | | |
| | 2-15 Conflicts of interest | p. 17-18 | | | | |
| | 2-16 Communication of critical concerns | p. 17-18 | | | | |
| | 2-17 Collective knowledge of the highest governance body | p. 17-18 | | | | |
| | 2-18 Evaluation of the performance of the highest governance body | p. 17-18 | | | | |
| | 2-19 Remuneration policies | p. 17-18 | | | | |
| | 2-20 Process to determine remuneration | p. 17-18 | | | | |
| | 2-21 Annual total compensation ratio | – | a-c | Confidentiality constraints | Market confidentiality | |
| | 2-22 Statement on sustainable development strategy | p. 4 | | | | |
| | 2-23 Policy commitments | p. 20-21 | | | | |
| | 2-24 Embedding policy commitments | p. 20-21 | | | | |
| | 2-25 Processes to remediate negative impacts | p. 20-21 | | | | |
| | 2-26 Mechanisms for seeking advice and raising concerns | p. 20-21 | | | | |
| | 2-27 Compliance with laws and regulations | p. 20-21 | | | | |
| | 2-28 Membership associations | p. 20-21 | | | | |
| | 2-29 Approach to stakeholder engagement | p. 23 | | | | |
| | 2-30 Collective bargaining agreements | p. 41. 100% of ICONIC employees are covered by the collective agreement. | | | | |
| GRI 3: 2021 Material Topics | 3-1 Process to determine material topics | p. 25 | | | | |
| | 3-2 List of material topics | p. 26 | | | | |

| GRI Standard | Contents | Location | Omission | | | GRI sectoral no. |
|---|---|---|---|---|---|---|
| | | | Requirement | Reason | Explanation | |
| **Macrotheme: Management of raw materials, products and waste** | | | | | | |
| **Material Topic: Waste** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 28-30 | | | | |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | p. 28-30 | | | | |
| | 306-2 Management of significant waste-related impacts | p. 28-30 | | | | |
| | 306-3 Waste generated | p. 28-30 | | | | |
| | 306-4 Waste diverted from disposal | p. 28-30 | | | | |
| | 306-5 Waste directed to disposal | p. 28-30 | | | | |
| **Material Topic: Water and effluents** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 31 | | | | 11.6.1 |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource | p. 31 | | | | 11.6.2 |
| | 303-2 Management of water discharge-related impacts | p. 31 | | | | 11.6.3 |
| | 303-3 Water withdrawal | p. 31 | | | | 11.6.4 |
| | 303-4 Water discharge | p. 31 | | | | 11.6.5 |
| | 303-5 Water consumption | p. 31 | | | | 11.6.6 |
| **Material Topic: Biodiversity** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 32 | | | | 11.4.1 |
| GRI 304: Biodiversity 2016 | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | p. 32 | | | | 11.4.2 |
| | 304-2 Significant impacts of activities, products, and services on biodiversity | p. 32 | | | | 11.4.3 |
| | 304-3 Habitats protected or restored | No projects aimed at protecting or restoring habitats were carried out. | | | | 11.4.4 |
| | 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations | – | a | Information not available | | 11.4.5 |
| **Macrotheme: Energy transition** | | | | | | |
| **Material Topic: GHG emissions** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 36 | | | | 11.1.1 |
| GRI 302 Energy 2016 | 302-1 Energy consumption within the organization | p. 36 | | | | 11.1.2 |
| | 302-2 Energy consumption outside of the organization 11.1.3 | – | a, b, c | Data not available | | 11.1.3 |
| | 302-3 Energy intensity | – | a, b, c, d | Data not available | | 11.1.4 |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) greenhouse gas (GHG) emissions | p. 33-35 | c | Data not available | | 11.1.5 |
| | 305-2 Indirect (Scope 2) GHG emissions arising from electricity purchasing | p. 33-35 | | | | 11.1.6 |
| | 305-3 Other indirect (Scope 3) GHG emissions | – | a-g | Information not available | ICONIC does not yet have scope 3 data | 11.1.7 |
| | 305-4 GHG emissions intensity | p. 33-35 | | | | 11.1.8 |
| | 305-5 Reduction of GHG emissions | p. 33-35 | | | | |
| **Material Topic: Climate adaptation, resilience, and transition** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 36 | | | | 11.2.1 |
| GRI 201: Economic Performance | 201-2 Climate change: financial implications, risks and opportunities | p. 36 | | | | 11.2.2 |
| GRI 305: Emissions 2016 | 305-5 Reduction of GHG emissions | p. 35 | | | | 11.2.3 |

| GRI Standard | Contents | Location | Omission | | | GRI sectoral no. |
|---|---|---|---|---|---|---|
| | | | Requirement | Reason | Explanation | |
| **Macrotheme: Socio-Economic Development** | | | | | | |
| **Material Topic: Local communities** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 37-38 | | | | 11.15.1 |
| GRI 413 Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | p. 37-38 | | | | 11.15.2 |
| | 413-2 Operations with significant actual and potential negative impacts on local communities | p. 37-38 | | | | 11.15.3 |
| **Material Topic: Economic impact** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 38 | | | | 11.14.1 |
| GRI 201 Economic Performance 2016 | 201-1 Direct economic value generated and distributed | p. 11 | a-ii, a-iii e b | Confidentiality constraint | Market confidentiality | 11.14.2 |
| GRI 202: Market Presence 2016 | 202-2 Proportion of senior management hired from the local community | p. 38- 39 | | | | 11.14.3 |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 Infrastructure investments and services supported | p. 38 | | | | 11.14.4 |
| | 203-2 Significant indirect economic impacts | p. 38 | | | | 11.14.5 |
| GRI 204: Procurement practices 2016 | 204-1 Proportion of spending on local suppliers | The criteria for hiring suppliers are based on the quality of service provision, and not based on specific territories. | | | | 11.14.6 |
| **Macrotheme: People management, diversity and inclusion** | | | | | | |
| **Material Topic: Diversity and Inclusion** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 39 | | | | 11.11.1 |
| GRI 202: Market Presence 2016 | 202-2 Proportion of senior management hired from the local community 11.11.2 | p. 41 | | | | 11.11.2 |
| GRI 401: Employment 2016 | 401-3 Parental leave | p. 43 | | | | 11.11.3 |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year, per employee | p. 42-43 | | | | 11.11.4 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | p. 39-41 | | | | 11.11.5 |
| | 405-2 Gender gap in base salary and remuneration | p. 39-41 | | | | 11.11.6 |
| GRI 406: Non-discrimination | 406-1 Incidents of discrimination and corrective actions taken | p. 39 | | | | 11.11.7 |
| **Material Topic: Employment practices** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 41-45 | | | | 11.10.1 |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | p. 44 | | | | 11.10.2 |
| | 401-2 Benefits offered to full-time employees that are not offered to temporary or part-time employees | p. 44 | | | | 11.10.3 |
| | 401-3 Parental leave | p. 43 | | | | 11.10.4 |
| GRI 402: Labor/Management Relations 2016 | 402-1 Minimum notice periods regarding operational changes | p. 58 | | | | 11.10.5 |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year, per employee | p. 42-43 | | | | 11.10.6 |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | p. 58 | | | | 11.10.7 |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New suppliers that were screened using social criteria | p. 45 | | | | 11.10.8 |
| | 414-2 Negative social impacts in the supply chain and actions taken | p. 45 | b, c, d, e | Data not available | ICONIC does not yet monitor these topics for suppliers | 11.10.9 |

| GRI Standard | Contents | Location | Omission | | | GRI sectoral no. |
|---|---|---|---|---|---|---|
| | | | Requirement | Reason | Explanation | |
| **Material Topic: Freedom of association and collective bargaining** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 45 | | | | 11.13.1 |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | p. 45 | | | | 11.13.2 |
| **Macrotheme: Health, safety and well-being** | | | | | | |
| **Material Topic: Occupational health and safety** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 46-50 | | | | 11.9.1 |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | p. 46-50 | | | | 11.9.2 |
| | 403-2 Hazard identification, risk assessment, and incident investigation | p. 46-50 | | | | 11.9.3 |
| | 403-3 Occupational health services | p. 46-50 | | | | 11.9.4 |
| | 403-4 Employee participation, consultation, and communication on occupational health and safety | p. 46-50 | | | | 11.9.5 |
| | 403-5 Employee training on occupational health and safety | p. 46-50 | | | | 11.9.6 |
| | 403-6 Promotion of worker health | p. 46-50 | | | | 11.9.7 |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | p. 46-50 | | | | 11.9.8 |
| | 403-8 Workers covered by an occupational health and safety management system | p. 46-50 | | | | 11.9.9 |
| | 403-9 Work-related accidents | p. 50 | | | | 11.9.10 |
| | 403-10 Occupational illnesses | p. 50 | | | | 11.9.11 |
| **Material Topic: Asset integrity and process safety accident management** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 50 | | | | 11.8.1 |
| GRI 306: Effluents and Waste 2016 | 306-3 Significant spills | p. 50 | | | | 11.8.2 |
| **Material Topic: Innovative solutions** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 51-53 | | | | |
| **Macrotheme: Ethics and integrity** | | | | | | |
| **Material Topic: Anti-competitive behavior** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 55 | | | | 11.19.1 |
| GRI 206: Anti-competitive behavior 2016 | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | p. 55 | | | | 11.19.2 |
| **Material Topic: Anti-corruption** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 55 | | | | 11.20.1 |
| GRI 205: Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption | p. 55 | | | | 11.20.2 |
| | 205-2 Communication and training about anti-corruption policies and procedures | p. 55 | | | | 11.20.3 |
| | 205-3 Confirmed incidents of corruption and actions taken | p. 55 | | | | 11.20.4 |

| GRI Standard | Contents | Location | Omission | | | GRI sectoral no. |
| --- | --- | --- | --- | --- | --- | --- |
| | | | Requirement | Reason | Explanation | |
| **Material Topic: Payments to governments** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 56 | | | | 11.21.1 |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | p. 11 | a–ii, a–iii e b | Confidentiality constraint | Market confidentiality | 11.21.2 |
| | 201-4 Financial assistance received from government | p. 56 | | | | 11.21.3 |
| GRI 207: Tax 2019 | 207-1 Approach to tax | – | | Confidentiality constraint | Market confidentiality | 11.21.4 |
| | 207-2 Tax Governance, control and risk management | – | | Confidentiality constraint | Market confidentiality | 11.21.5 |
| | 207-3 Stakeholder engagement and management concerns related to tax | – | | Confidentiality constraint | Market confidentiality | 11.21.6 |
| | 207-4 Country-by-country reporting | – | | Confidentiality constraint | Market confidentiality | 11.21.7 |
| **Material Topic: Public policies** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 56 | | | | 11.22.1 |
| GRI 415: Public Policy 2016 | 415-1 Political contributions | p. 56 | | | | 11.22.2 |
| **Material Topic: Forced labor and modern slavery** | | | | | | |
| GRI 3: 2021 Material Topics | 3-3 Management of material topics | p. 56 | | | | 11.12.1 |
| GRI 409: Forced or Compulsory Labor 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | p. 45, p. 56 | | | | 11.12.2 |
| GRI 414: Supplier Social Assessment | 414-1 New suppliers that were screened using social criteria | p. 41 | | | | 11.12.3 |

## MATERIAL TOPICS OF THE GRI SECTORAL STANDARD DETERMINED AS NON-MATERIAL

| Topic | Explanation |
| --- | --- |
| Closure and rehabilitation (relevant topic) - 11.7 | In accordance with the process of prioritizing material topics carried out by ICONIC senior leadership in 2023 and approved by the CEO on 12/04/23, the topic of "Closure and rehabilitation" was not classified as material, but rather as relevant and, therefore, is included in this report. |
| Atmospheric emissions - 11.3 | This topic was considered as non-material and not relevant to ICONIC as there is a low level of atmospheric emissions of NOx, SOx, persistent organic pollutants (POP), volatile organic compounds (VOC), hazardous air pollutants (HAP) and particulate matter. |
| Land and resource rights - 11.16 | This topic was considered non-material and not relevant to ICONIC as the Company's operations did not cause or contribute to causing any type of involuntary resettlement or other issues that could compromise the right to land and natural resources. |
| Rights of indigenous peoples - 11.17 | This topic was considered non-material and not relevant to ICONIC as the Company does not operate in places where indigenous peoples are present or could be affected. |
| Conflict and security - 11.18 | This topic was considered non-material and not relevant to ICONIC as the Company does not operate in conflict areas. |